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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONER

Arizona Corporation Commission
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IN THE MATTER OF U S WEST COMMUNICATIONS, INC.'S COMPLIANCE WITH SECTION 271 OF THE COMMUNICATIONS ACT OF 1996	DOCKET NO. T-00000A-97-0238 **NOTICE OF FILING**

The Arizona Corporation Commission Staff ("Staff") hereby files a Proposed Order on issues arising from the July 2002, Supplemental Work Shop relating to Checklist Items one (1) and two (2). The Proposed Order was based upon the Staff's February 25, 2003 and June 20, 2003 Staff Reports and Recommendations on the July 30, 31 2002 Supplemental Workshop as well as the parties comments filed in response thereto.

RESPECTFULLY SUBMITTED this 19th day of August, 2003.

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BEFORE THE ARIZONA CORPORATION COMMISSION

MARC SPITZER
Chairman
JIM IRVIN
Commissioner
WILLIAM A. MUNDELL
Commissioner
JEFF HATCH-MILLER
Commissioner
MIKE GLEASON
Commissioner

IN THE MATTER OF U.S. WEST COMMUNICATIONS, INC.'S COMPLIANCE WITH SECTION 271 OF THE TELECOMMUNICATIONS ACT OF 1996	DOCKET NO. T-00000A-97-0238 DECISION NO. ________ <u>ORDER</u>

Open Meeting
September 11, 2003
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

<u>FINDINGS OF FACT</u>

1. The Federal Telecommunications Act of 1996 ("1996 Act") added Section 271 to the Communications Act of 1934. The purpose of Section 271 is to specify the conditions that must be met in order for the Federal Communications Commission ("FCC") to allow a Bell Operating Company ("BOC"), such as Qwest Corporation ("Qwest" or the "Company"), formerly known as US WEST Communications, Inc. ("US WEST") to provide in-region interLATA services. The conditions described in Section 271 are intended to determine the extent to which local phone service is open to competition.

2. The FCC has emphasized the importance of several key components of any Section 271 application, including, but not limited to: 1) open participation of all interested parties; 2) independent third party testing of operation support systems ("OSS"); and 3) compliance with a

fourteen point competitive checklist which specifies the access and interconnection a BOC must provide to other telecommunications carriers.

3. A subsequent investigation by Staff into Qwest's compliance with Section 252(e) revealed that four parties, including XO Communications ("XO"), Eschelon Telecom, Inc. ("Eschelon"), Z-Tel Communications, Inc. ("Z-Tel"), and McLeodUSA, Inc. ("McLeod") had unfiled agreements with Qwest which acted to limit their participation in the Commission's Section 271 proceeding. Two of these carriers, Eschelon and McLeod, stated that they had unresolved issues as a result of their unfiled agreements with Qwest. AT&T Communications of the Mountain States, Inc. ("AT&T"); WorldCom, Inc. ("WorldCom"); and Covad Communications Company ("Covad") raised concerns about the non-participation of certain parties and with the resulting impact on the Section 271 record.

4. Staff held a Supplemental Workshop on July 30 and 31, 2002, in order to give parties to the Qwest Section 271 proceeding in Arizona, who were precluded from actively participating in the process through unfiled agreements with Qwest, and who believed there were unresolved issues resulting from this non-participation, an opportunity to voice the issues, and for Qwest to respond. Other parties were allowed to participate to the extent they had issues which arose from the new evidence presented. This Supplemental Workshop addressed several issues related to Qwest's OSS and Checklist Items 1 and 2.

5. On February 25, 2003, Staff filed its Final Supplemental Workshop Report on OSS issues. This Report is attached as Exhibit A. Four parties filed comments on this Report: AT&T and WorldCom (in a joint filing), Eschelon, and Qwest. On June 27, 2003, Staff filed its Final Supplemental Workshop Report on Checklist Items 1 and 2. This Report is attached as Exhibit B. Two parties filed comments on this Report: Eschelon and Qwest. Six parties filed reply comments on this Report: Eschelon; Qwest; AT&T; WorldCom; Mountain Telecommunications, Inc. ("MTI"); and Covad.

OSS RELATED CHECKLIST ITEM 2 ISSUES

Disputed Issue No. 1 – Service Affecting Performance and Reporting

OP-5 and PO-20

6. Eschelon raised several sub-issues related to service affecting performance and reporting. Eschelon stated that it did not believe that Qwest was accurately reporting the service being provided to Eschelon. Specifically, Eschelon expressed concern about the accuracy of Performance Indicator Definition ("PID") OP-5 (New Service Installation Quality). Eschelon's internally calculated results for OP-5 were significantly different from those reported by Qwest. Qwest responded by stating that its performance meets the standards set by the PIDs. Following the workshop, Staff requested its consultant, Cap Gemini Ernst & Young ("CGE&Y"), to conduct a test to reconcile the differences in the Eschelon and Qwest data. CGE&Y's Report concluded that there are many errors and omissions in Qwest reported OP-5 results as well as disagreements on what should be included in the PID definition. Many of the discrepancies (approximately 70%) were occurring because of legacy system limitations. Advancements in capabilities have made improvements possible for OP-5. For the remaining 30% of the discrepancies, there was considerable disagreement between Qwest and the parties on the OP-5 exclusion definitions. With respect to the major disagreements noted in its Report, Staff found that all trouble reports received within 72 hours of installation were intended to be included in PO-5; and that conversions from retail to CLEC service that result in Out of Service conditions on the day of the cut should also be included in PO-5.

7. Eschelon also questioned whether the PIDs adequately capture troubles that are reported through Qwest's documented processes when those processes allow action other than opening a trouble ticket with the repair desk. Qwest stated that it believes the PIDs do adequately capture all types of troubles. In its Report, Staff disagreed with Qwest and stated that trouble reports that are caused by Qwest service order errors should be included in OP-5 as trouble reports.

8. In Qwest's comments on Staff's Final Supplemental Workshop Report on OSS issues, Qwest states that it has proposed changes to OP-5 to address Staff's concerns. The OP-5 PID is currently being discussed in the LTPA. Staff notes that the LTPA is recommending

changes which are inclusive of Staff's recommendations with respect to OP-5. Staff agrees that these changes should address Staff's recommendations on this issue. We accept Staff's recommendation that Qwest provide the Commission with a copy of the OP-5 PID language once it is finalized. If there are any remaining impasse issues between Qwest and the CLECs on the final version of the language for OP-5, Staff will resolve those issues.

9. With respect to PO-20, Staff did not believe that the current proposal that Qwest had made captured Eschelon's issues. Staff Report at p. 34. Eschelon's issues were that service order accuracy should include errors in the services/features ordered on the Local Service Request that are not correctly transferred to the Qwest service order. Id.

10. In its February Report and Recommendation, Staff recommended the following with regard to OP-5 and PO-20:

a. That Qwest be required to verify through a filing with the Commission within 90 days from the effective date of the Commission's Order approving this Report that its new calculation process corrects the high incidence of coding problems uncovered in the CGE&Y Report.

b. That Repeat Reports continue to be included in OP-5, since the parties and Qwest agreed to inclusion at the time of PID development.

c. That OP-5 measure the total percentage of new installations without a trouble or customer affecting condition experienced within the first 30 days of installation.

d. In cases were troubles are excluded because they were referred to another department, such cases should be considered by the TAG and/or Long-Term PID Administration for inclusion in service installation quality calculations.

e. That PO-20 be modified to include measurement of whether all the services/features ordered on the LSR were correctly transferred to the Qwest service order and to include calls to the service center because of a service order error.

11. On March 10, 2003, Qwest filed its comments on Staff's Final Supplemental Workshop Report on OSS issues. Qwest disagrees with Staff's characterization that there are "many errors and omissions in Qwest's reported OP-5 results." Qwest Comments at p. 5. Qwest states that it has implemented a new calculation process that eliminates the coding problems uncovered in the CGE&Y Report. Qwest also states that it has proposed improvements and changes to OP-5 to address the issues cited in the CGE&Y Report and concerns raised by Staff with respect to this issue. Qwest also agrees to address repeat reports in OP-5; it supports a way of addressing new service repeat or multiple reports that preserves the accuracy of measuring installation s that are free of trouble reports and also measures them as a percentage of problem reports involving newly-installed services. Qwest Comments at p. 6. Qwest further stated that it agrees to include in OP-5 both the repair reports from its maintenance and repair tracking systems and also reports of service-affecting problems captured from falls to Qwest's interconnect service centers (call center data). The OP-5 PID is currently being discussed in the Long Term PID Administration group ("LTPA").

12. Qwest also agreed to include in PO-20 whether the service/features ordered on the LSR were correctly transferred to the service order, via the measurement method upon which PO-20 is based (i.e., comparisons of LSR fields with corresponding service order fields). Where this measurement method cannot feasibly address certain aspects of order accuracy, Qwest accepts a "safety net" concept that is based on call center data. Qwest Comments at p. 8. Eschelon suggested that when service order errors occur but are corrected by CLECs, the errors should be accounted for in the PIDs. In Qwest's comments on Staff's Final Supplemental Workshop Report on OSS issues, Qwest disagrees that PO-20 should include these types of errors. Qwest states that it provides CLECs with a notice of a pending order called a Pending Service Order Notification ("PSON"). If a CLEC notices an error in the PSON, it can report the error to Qwest and it will be corrected prior to provisioning of the order. Qwest states that it may identify the error whether or not a CLEC notifies Qwest. Qwest also believes that its OP-5 and PO-20 proposals will capture service order issues that are not identified and corrected by Qwest.

13. Eschelon supports the Staff recommended changes relating to service affecting performance and reporting and asks the Commission to adopt them. Eschelon Comments at p. 2.

14. While AT&T and WorldCom filed Comments on Staff's Reports, they did not comment specifically on this issue.

15. Qwest and the CLECs are currently refining the OP-5 measurement through the LTPA. Staff has monitored Qwest and CLEC proposed improvements and changes to OP-5 in the LTPA and notes that the LTPA is recommending changes which are inclusive of Staff's recommendations with respect to OP-5. Staff agrees that these changes should address Staff's recommendations on this issue. We accept Staff's recommendation that Qwest provide the Commission with a copy of the OP-5 PID language once it is finalized. If there are any remaining impasse issues between Qwest and the CLECs on the final version of the language for OP-5, Staff will resolve those issues.

16. Staff notes that the LTPA is also recommending changes which are inclusive of Staff's recommendations with respect to PO-20. Staff agrees that these changes should address Staff's recommendations on this issue. We accept Staff's recommendation that Qwest provide the Commission with a copy of the PO-20 PID language once it is finalized. If there are any remaining impasse issues between Qwest and the CLECs on the final version of the language for PO-20, Staff will resolve those issues.

17. On a going forward basis, Qwest should be required to demonstrate that the system created discrepancies found by CGE&Y, and other problems discussed above, have been corrected. Qwest presentation of this further evidence should include a comparison with the old method of calculating OP-5 for review by the parties.

OP-3

18. Eschelon suggested that OP-3 (Installation Commitments Met) be evaluated to determine whether it should reflect (unless adequately reflected elsewhere) that, when there is a service order error, that Qwest did not meet its commitment to provision the order as written by the due date. Qwest stated that it believes that changes to other PIDs, such as OP-5, adequately addressed this issue. In its February 25, 2003, Report and Recommendation, Staff agreed with

Qwest that OP-3 is not the place to measure trouble reports due to service order errors by Qwest. Staff believes that this issue is resolved with Staff's resolution of OP-5. No party commented on Staff's finding on OP-3, therefore Staff's recommendation is accepted.

Withholding 271 Approval

19. Eschelon suggested that the form and content of any long-term PID administration plan be developed, so that a forum is available when needed, before Section 271 approval is recommended. Qwest disagreed that a long-term PID administration plan must be developed before the Commission recommends Section 271 approval. Eschelon also stated that the Commission should not recommend Section 271 approval for Qwest before the end-user customer's experience improves and that improvement is documented and verified. Qwest states that the Section 271 process in Arizona has confirmed that CLECs are able to provide local service to their end-users in Qwest's region at a level that meets or exceeds the Section 271 requirements.

20. AT&T and WorldCom also expressed concern in their Comments with Staff's conclusion of 271 compliance, on Qwest's agreement to implement the recommendations. AT&T and WorldCom object because Qwest is being permitted to prospectively implement all of Staff's recommendations. AT&T/WorldCom Comments at p.3.

21. Staff agrees with Qwest that there is no legal requirement or justification for withholding Section 271 approval until the long-term PID administration forum has been established. Staff also notes that the Long-Term PID Administration group has been created and the Commission is involved in its activities. Further, Qwest has already implemented many of Staff's recommendations. We agree with Staff that 271 approval need not await actual implementation of all of the recommendations of Staff and Consultants. Further, we also agree with Staff that separate reporting of UNE-E/UNE-M and UNE-Star from UNE-P is not necessary since it is understood that the UNE-Star product will be for the most part replaced by UNE-P. Finally, the FCC has already approved Qwest's other thirteen states as having met the Section 271 OSS requirements.

22. Further, Eschelon suggested that measures to address all of these impasse issues should be developed and incorporated into the Performance Assurance Plan ("PAP") before

Section 271 approval is recommended (i.e., before long-term PID administration). Qwest did not offer comments on this impasse issue. Staff notes that OP-5 is already contained in the PAP plan for Arizona. When OP-5 is corrected to resolve the issues discussed above, this impasse issue will be resolved. We agree with Staff that modification of OP-5 in the manner discussed above should also flow to the Arizona PAP, since OP-5 is already included therein. Additionally, any need for further revisions to the PAP can be addressed in the first 6-month review.

Disputed Issue No. 2 – Time-Consuming and Cumbersome Ordering Process

23. Eschelon raised two sub-issues concerning time consuming and cumbersome ordering processes. First, Eschelon suggested that Qwest should be required to successfully add the capability to convert customers as specified without having to list and map changes, adds, or removes before obtaining 271 approval. Second, Eschelon suggested that Qwest should be required to successfully add migrate by telephone number capability before obtaining 271 approval.

24. In its Staff Report and Recommendation, Staff found that this impasse issue had been satisfactorily resolved through the CMP process. The changes that Eschelon is requesting have been committed to in IMA 12.0 release which is scheduled for April 2003. Moreover, once Qwest determined that it could implement a portion of one of these requests without system changes, it followed the CMP notification process and eliminated the requirement to specify unwanted features on UNE-P conversion requests. That change was effective August 16, 2002. Staff recommended that Qwest file in this Docket verification that IMA 12.0 implemented this change request.

25. In Qwest's comments on Staff's Final Supplemental Workshop Report on OSS issues, Qwest confirms that the changes associated with this issue will be included in the IMA 12.0 release, scheduled for April 2003. Qwest agrees to file verification that IMA 12.0 implemented these changes.

26. On June 10, 2003, Qwest filed a verification that it had implemented the changes associated with this issue with IMA Release 12.0 on April 7, 2003, which resolves this impasse issue.

Disputed Issue No. 3 – Cutovers

27. Eschelon stated that Qwest should be required to show that it is providing timely cutovers and complying with its own documented cutover procedures. Qwest described the current process for cutovers. Also, CMP CR PC061002-1 (draft) provided further clarification to the process followed if the CLEC is not ready within 30 minutes. The change from telephone to email no dial tone notices requested in CR PC061002-1 became effective September 25, 2002, and was noticed to the CLEC community on September 5, 2002.

28. According to Staff, the issue has been satisfactorily handled by Qwest through the CMP process and therefore is no longer an open issue.

Disputed Issue No. 4 – Unannounced CLEC Affecting Systems Changes

29. Eschelon stated that Qwest should be required to show that it is adequately notifying CLECs of changes to systems, including changes to Qwest's back end systems, when those changes may impact CLECs. Eschelon stated that this is a continuing problem since specific processes regarding directory listings have changed, and Eschelon was not notified of these changes. Qwest states that no change has been made to the specific process for directory listings.

30. In its February Report and Recommendation, Staff agreed with Eschelon that changes to processes should not be made without notification to CLECs. Staff accepts Qwest's response that the example given by Eschelon was not a system change. CGE&Y was asked to follow up and review Qwest actual performance in following the CMP processes. Their report found that Qwest was following procedures on notification to CLECs concerning system changes. Staff's findings are reasonable and shall be adopted.

Disputed Issue No. 5 – OSS Lack of Flow Through

31. Eschelon states that Qwest should be required to show that Centrex 21 orders successfully flow through to UNE-P-POTS after Release 10.1. Eschelon states that these orders do not flow through. Qwest confirmed that Centrex Plus and Centron orders do not flow through. This results in out of service periods since a disconnect occurs and a new connect must be completed. Qwest stated that it is evaluating both process and systems enhancements to minimize the out of service period.

32. In its February Report and Recommendation, Staff stated concern with this Disconnect-New Connect order process. The net result is that when there is a problem with the connect order, the CLEC customer is put out of service until the manual assistance responds and handles the connect order. This current process requires too much out of service time and is resulting in customer out of service trouble reports. Staff recommended that for CLEC orders that require both a Disconnect order and a New Connect order that a process be implemented that requires Qwest to monitor on a proactive basis to ensure that when the connect order falls out for manual handling that there is an immediate response to restore service. The process should be monitored in the same fashion as a coordinated cut. This new proactive process should prevent extended service disruptions to new CLEC customers.

33. Staff further recommended that this new process be implemented within 90 days and that Qwest should advise the Commission upon implementation. Qwest should post this process on its Product Catalog ("PCAT") web site and notify CLECs. The revised process and its effectiveness will be reviewed in the first six-month PAP review.

34. Qwest's comments on Staff's Final Supplemental Workshop Report on OSS issues, Qwest disagrees that it should proactively monitor the Disconnect-New Connect order process. Qwest states that this requirement would be unreasonable given the small fraction of orders for which this is an issue. Instead, Qwest proposes that it focus on current process adherence and improvements in order to identify problems and to bring them to the CMP.

35. Staff does not agree with Qwest and because of the seriousness of disconnecting a customer during conversion to a CLEC, Staff continues to support its initial recommendation. If Qwest is ultimately able to propose process improvements through the CMP to resolve this issue, this would of course be acceptable. However, until the problem can be resolved through improvements in Qwest's current processes, Staff's recommendation for proactive monitoring is reasonable.

Disputed Issue No. 6 – Maintenance and Repair: Authorization and Accuracy For Closing Tickets

36. Eschelon stated that Qwest should be required to show a track record of obtaining CLEC authorization before closing tickets and of applying the accurate closing codes. Qwest stated that it attempts to notify its customers and follows the same process for its Retail and Wholesale operations when closing a trouble ticket. The OSS test did not identify a problem with this issue although CGE&Y's Data Reconciliation Report did find problems with disposition coding. Therefore, Qwest is investigating the accuracy and reliability of its current disposition code audit process and application. Results of this investigation will be used to determine if changes need to be made to this process with increased focus on accuracy.

37. Because there have not yet been any practical solutions proposed to solve this problem, but Qwest has agreed to further examine this issue and ways to improve its current processes, Staff recommended in its Report that the Commission request that Qwest provide, through a filing in this Docket, the findings of its review and its plans to improve Disposition Code Reporting. Staff recommended that the filing be made by Qwest prior to the six-month PAP review.

38. In Qwest's comments on Staff's Final Supplemental Workshop Report on OSS issues, Qwest agrees to provide a filing on the findings of its review and efforts to improve disposition coding accuracy prior to the six-month PAP review.

39. Staff's recommendations are reasonable and shall be adopted. With Qwest's agreement to Staff's recommendation, this issue appears to be resolved.

Disputed Issue No. 7 – Billing Accuracy

40. Eschelon raised several sub-issues regarding billing accuracy. Eschelon questioned whether the current billing accuracy measure accurately reflected Eschelon's experience. Eschelon suggested that this measure be revised and expanded and that Qwest should be required to correct the inaccuracies in Eschelon's bills. Eschelon suggested that Qwest should be required to provide adequate notice, including detail to substantiate the changes and time for objection, if Eschelon disagrees with the proposed changes, before making rate and profile charges. Eschelon also stated that once issues (including long-disputed issues) are resolved in a CLEC's favor, the performance results should be adjusted to reflect the resolution. Qwest stated that its

investigation into this issue indicated that most billing inaccuracies in Eschelon's bills are not related to system-wide defects in Qwest's billing functions. Qwest also stated that the billing accuracy PID, BI-3, is designed to capture the effects of billing adjustments for error in the reporting month in which the adjustments occurred, regardless of when the original billing took place. Thus, it would be non-compliant with the current PIDs, as accepted by the parties, to adjust past reported results, when the actual adjustment took place in the month it is implemented.

41. In its Report and Recommendation, Staff agreed that billing accuracy is a very important issue. At the conclusion of the OSS test, all billing issues identified had been corrected. The major issues remaining that related to billing appeared to be unique billing issues related to the Eschelon and McLeod special product (UNE-E and UNE-M, respectively) billing. This special billing arrangement was agreed to between Qwest and these CLECs. Nonetheless, Qwest committed that this was only an interim measure and that it would convert its manual billing process to mechanized billing for these products. However, the conversion process has encountered one delay after another. Accordingly, Staff recommended that Qwest be required to count these billing problems as an error or an inaccurate bill for purposes of calculating its billing measurements, until conversion occurs. Staff also recommended that Qwest and Eschelon should also be required to provide the Commission Staff with additional information regarding the issues involved with converting Eschelon's embedded accounts and provide a mutually agreed upon resolution within 90 days.

42. On March 7, 2003, Eschelon filed its comments on Staff's Final Supplemental Workshop Report on OSS issues. Eschelon states that the Commission should clarify (or revise) the PID to require Qwest to make a billing adjustment for each month in which bills are inaccurate. In Qwest's comments on Staff's Final Supplemental Workshop Report on OSS issues, Qwest states that it does not believe that a billing inaccuracy issue exists with respect to the embedded accounts issue. Qwest states that its billing methods for UNE-E accounts must continue until the migration of the accounts is completed. Qwest states that it has tried to resolve the issue with Eschelon by proposing solutions, but Eschelon has not agreed to meet to further

discuss the issue. However, Qwest agrees to meet with Eschelon to discuss the conversion of the embedded accounts in order to come to a resolution on this issue.

43. We disagree with Qwest that a billing inaccuracy issue does not exist, pending conversion to a mechanized billing process. We find Staff's initial recommendations on these issues to be reasonable. Qwest shall be required to count each bill for which a manual adjustment is still required, as an inaccurate bill or an error for purposes of calculating its billing measurements, until conversion occurs. We agree with Staff that no further clarification or revision to the PID is needed. Both Qwest and Eschelon should work in good faith to resolve the issues associated with conversion to a mechanized billing process and should provide updates to Staff on the results of their negotiations.

Disputed Issue No. 8 – Switched Access

44. Eschelon stated that the Commission should further investigate whether Qwest is providing complete and accurate records from which CLECs may bill interexchange carriers access charges and whether Qwest's performance in this regard is accurately measured.

45. Staff agrees with Eschelon that this was an area of major concern. Staff was very concerned about the results of the original test of Daily Usage Files ("DUF") in the OSS test. Although now corrected, because of the problems encountered during the OSS test with DUF records, Staff recommended that a retest of DUF records be conducted within twelve months. Qwest has agreed to this recommendation and advises that it will comply. Staff believes that the problems with DUF have been tested and corrected. The retest requested by Staff should provide evidence as to whether the problems continue to be corrected on a going forward basis, or whether additional action by the Commission is necessary.

Disputed Issue No. 9 – Stand Alone Test Environment (SATE)

46. Eschelon questioned whether products that are in Qwest's production environment but not in SATE should be added to SATE employing the CMP prioritization process, or whether Qwest was obligated to add those products outside of the CMP prioritization process and by a date certain. This issue was also at impasse in the TAG. Qwest submitted a compromise position to the Arizona TAG wherein those products can be implemented into SATE after the volume of

CLEC use for each of the relevant product(s) reaches (within Qwest's 14-state region) 100 transactions during the prior twelve (12) month period. The implementation of those products into SATE will then be scheduled for the upcoming major SATE release if feasible; or if not feasible, then no later than the next major SATE release.

47. The Qwest proposal resolved the Arizona TAG impasse issue since it satisfied the CLEC concerns. Staff, therefore, considered the issue resolved.

48. On March 7, 2003, Eschelon filed its comments on the Final Supplemental Workshop Report on OSS issues. Eschelon supports Staff's recommendations in the Report, except that Eschelon also believes that the Commission should require Qwest to implement Staff's recommendations prior to receiving Section 271 approval. Eschelon made two additional recommendations in its comments. Eschelon states that the Commission should clarify that the billing accuracy PID measures the percentage of CLEC billing in error and should require Qwest to make a billing adjustment for each month in which CLEC bills are inaccurate. This PID should be revised as necessary to reflect these clarifications. Eschelon also states that the Commission should add a billing PID to reflect the completeness of the Daily Usage Files.

49. Staff disagrees with Eschelon on these issues. Staff believes that the recommendations contained in its Report do not need to be fully implemented prior to Section 271 approval. Staff also believes that the billing accuracy PIDs do capture valuable information and that additional changes to those PIDs are not warranted at this time.

50. In Eschelon's comments on Staff's Final Supplemental Workshop Report on OSS issues, Eschelon states that Staff's recommendations should be fully implemented before the Commission grants Section 271 approval. On March 10, 2003, AT&T filed its comments on Staff's Final Supplemental Workshop Report on OSS issues. AT&T agrees with Eschelon that the Commission should require Qwest to implement Staff's recommendations prior to receiving Section 271 approval.

51. Staff disagrees with Eschelon and AT&T that all of Staff's recommendations contained in its Final Supplemental Workshop Report on OSS issues need to be fully implemented prior to Section 271 approval.

52. With Staff's recommendations contained in its Final Supplemental Workshop Report on OSS issues and the recommendations contained herein regarding the resolution of all OSS issues, Staff believes that all outstanding OSS issues raised in the Supplemental Workshop have now been resolved. Qwest should be required to provide evidence that it has implemented Staff's recommendations. This evidence and the effectiveness of the recommendations will be reviewed at the first six-month PAP review. Qwest has sufficiently demonstrated before this Commission that it meets all applicable OSS Testing requirements and all applicable checklist requirements relating to the issues addressed herein.

53. Staff deems the OSS Test portion of Qwest's Section 271 initiative to be complete. In Staff's opinion, with the above resolutions of the issues presented, all of the objectives of implementing a comprehensive independent Third Party administered OSS Test have been fulfilled.

NON-OSS RELATED CHECKLIST ITEMS 1 AND 2 ISSUES

Disputed Issue No. 1 – UNE-P Feature Availability: Remote Access Forwarding

54. Eschelon raised several sub-issues related to UNE-P feature availability and Remote Access Forwarding ("RAF"). Eschelon stated that RAF is not a proprietary Advanced Network Architecture ("AIN") feature and proposes that Qwest must provide RAF with UNE-P. Alternatively, if Qwest is allowed to treat RAF as an AIN feature unavailable with UNE-P, Eschelon stated that Qwest should be required to provide to CLECs a list of switches for which RAF (and other switch features that Qwest claims are not otherwise available to CLECs) is activated. Qwest responded that Eschelon's position is based on three mistaken assumptions. First, Qwest's RAF is AIN based, not switch-based. Second, Eschelon is mistaken when it asserts that Qwest provides switched-based RAF to its own customers. Third, the FCC has held that AIN service software should not be unbundled when the ILEC makes its AIN platform or database, Service Creation Environment, Service Management System ("SMS"), and Signal Transfer Points ("STPs") available for CLECs to develop their own AIN products. The FCC makes no mention of any exception to this holding for an AIN feature that is similar to a switch-based product an ILEC may have offered in the past. Qwest stated that a list of the features that are unavailable

with UNE-P, including AIN products, voice messaging products, and feature products is in the PCAT.

55. In its June Report and Recommendation, Staff agreed with Eschelon that Qwest must make these features available to it. While Qwest is not obligated to make proprietary AIN features available to CLECs as unbundled network elements, nothing precludes Qwest from voluntarily agreeing to make certain of these features available to CLECs in its interconnection agreements. Once Qwest makes them available to one carrier, it must make them available to other carriers under the opt-in provisions of the 1996 Act. Staff reviewed the amendments to Eschelon's interconnection agreement with Qwest dated July 31, 2001. Both amendments, as well as the attachments, list the features available with UNE-P as including the following four AIN features at retail rates: Remote Access Forwarding, Scheduled Forwarding, Dial Lock, and Do Not Disturb. Therefore, Staff found that in looking at the plain language of these amendments and accompanying attachments, Qwest's agreements incorporate provisions which obligate them to make available to Eschelon at retail rates the four AIN features listed above.

56. Staff also found in its June Report that there is no reason for Qwest to make AIN features available to some CLECs on a platform basis but not others. In addition, because Qwest has committed to make voice mail available to CLECs in Minnesota with UNE-P, Staff believes that Qwest should also be required to make this feature available to CLECs in Arizona which desire this feature with UNE-P. In addition to having the option of obtaining the AIN features at retail rates with UNE-P, Qwest must still make available the option of allowing CLECs to elect the switch-based features at cost based or TELRIC rates.

57. On July 18, 2003, both Eschelon and Qwest filed comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2. While Eschelon agreed with Staff's recommendation regarding the availability of certain features with UNE-P, it stated that several sub-issues remain or have since arisen. First, Eschelon reports that while Qwest committed to updating its website information related to the availability of features with UNE-P, Qwest has actually deleted this information from its PCAT on the website. Eschelon recommends that Qwest be required to place the updated feature availability information on its website in a location

easily accessible by CLECs. Eschelon states that to develop, market, and order a product, CLECs need to know which features are and are not available with a product, as well as the Universal Service Ordering Codes ("USOCs") for those features. Eschelon therefore asks the Commission to adopt the Staff's recommendation on availability of features and to further require Qwest to post a complete "Features, Products & Services Unavailable with UNE-P Products" (with USOCs and language description) document, as modified to reflect the Commission's decision, in a logical and readily accessible location on Qwest's web-site.

58. Qwest states that it believes it is not required to unbundle its AIN service software for use with UNE-P. However, Qwest states that it will provide Remote Access Forwarding, Scheduled Forwarding, Dial Lock, and Do Not Disturb AIN features to other CLECs, which are available under the Qwest and Eschelon UNE-E agreement. Qwest will provide these AIN services following Section 271 approval and through December 31, 2005 (this is the termination date of the Eschelon and Qwest UNE-E agreement). Qwest states that it will modify its next SGAT to include a statement that it will provide these AIN services from the date of Section 271 approval through December 31, 2005. Qwest also states that it will provide voice mail to CLECS with UNE-P following Section 271 approval. Qwest will modify its SGAT in order to make this voice mail timeframe clear. On page 5 of its Comments, Qwest proposed specific SGAT language for the availability of the four AIN features at issue.

59. In Eschelon's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon stated that Qwest should immediately make AIN features and voice mail available to CLECs.

60. On July 25, 2003, AT&T filed reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2. AT&T states that Qwest should immediately make the AIN features available to CLECs.

61. In Qwest's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that it has removed lists of unavailable features from its website and replaced it with a UNE-P Features Matrix which is posted on its website. Qwest states that the matrix lists UNE-P products and indicates whether the listed features are standard,

optional, or not available for each product. The listed products include links to the product description pages for each product, including language descriptions, information regarding availability and a table of relevant USOCs. According to Qwest the matrix indicates by omission those features that are not available.

62. Staff continues to support its initial recommendations on this issue. In addition to its features matrix, Staff believes that Qwest should continue to display the list of unavailable features with UNE-P (with USOCs and language description). Further, Staff recommends that Qwest not be allowed to limit the availability of the four AIN features or voice mail with UNE-P until the effective date of Qwest's Section 271 approval or until December 31, 2005. Staff further recommends that the language proposed by Qwest for its SGAT on this issue, be rejected.

63. We agree with Staff's recommendations. It would be inappropriate for Qwest to condition the availability of the features upon its receipt of 271 approval. Under the Federal Act, CLECs have a right to opt-in to any approved agreement. These amendments are now in effect, therefore, CLECs should be able to opt-in to them immediately. Further, with respect to limiting availability after December 31, 2005, while normally opt-in rights are coterminous with the termination date of the specific agreement which is being opted-into, we believe that the real issue to be whether once made available to CLECs, Qwest can subsequently claim that the AIN features are proprietary and later withdraw them. We believe that once the features are made available by Qwest, they are no longer proprietary, and Qwest must continue to make them available to CLECs on a platform basis.

64. A sub-issue was also raised by Eschelon as to whether Qwest should be allowed to charge CLECs right to use fees for activating an AIN feature, when Qwest unilaterally chose to provide the feature through AIN, instead of spreading the cost of any such fees across all users. Qwest responds that if Qwest uses AIN technology to provide services to its retail end-user customers, it is under no obligation to make those AIN-based services available to CLECs purchasing UNE-P combination service. If a CLEC chooses to request that Qwest activate a switch-based service that is not currently available in Qwest's switch, there would be costs to perform such work.

65. In its June Report, Staff believed that Eschelon raises some legitimate concerns. Staff believed that Eschelon's concerns should be addressed through implementation of a more formal process for verification and cost justification. Qwest should be required to provide vendor feature documentation regarding whether a feature is or is not in the switch. Qwest might do this in the form of a letter from the vendor of the switch that they have not paid for the feature and that it is not installed in the switch. In addition, the vendor should know whether it has been activated and the date of activation. Qwest should also be required to cost justify any activation fees and testing fees it charges and receive Commission approval of the charges subject to true-up. In particular, it should provide verification of any right to use fees. Staff also recommended that Qwest be required, at the time it receives a request for a switch-based feature that has not been activated, to utilize its CMP process to query CLECs on any features for which they anticipate requesting activation in the next 12 months. Depending upon the response received, Qwest should structure its charges accordingly.

66. In Qwest's comments on Staff's June Workshop Report, Qwest states that it currently supplies CLECS with a list of features activated in each switch through the Special Request Process ("SRP") it has implemented. Therefore, it believes that Staff's recommendations are not necessary since the SRP satisfies Staff's concerns. In Eschelon's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that the SRP process does not provide the information mentioned by Staff in its recommendation.

67. Staff continues to support its recommendations on this issue since it does not believe that Qwest is obligated to provide the specific information proposed by Staff as part of the SRP process. Qwest may choose to supply the required information as part of its SRP process. The point is not how Qwest supplies the information, but that it routinely make the information available to CLECs. We believe that Staff's recommendations are reasonable and should be adopted.

68. Another sub-issue raised by Eschelon concerned Qwest's employees not responding to its inquiries in a timely fashion, and at times giving it contradictory information as to feature availability. Eschelon stated that Qwest should be required to establish that its employees have

been trained in the proper processes for CLECs to request the features, functions, and capabilities of the switch. Qwest could not explain the specific problems experienced by Eschelon. However, Qwest does not believe that there is a problem with its employee's training.

69. In its June Report and Recommendation, Staff agreed with Eschelon that it should have access to employees that are knowledgeable about these processes. Staff recommended that Qwest be required to certify that its employees which interface with CLECs on end-user affecting issues have attended and passed the requisite training. Qwest should also be required to publish the training such employees are required to complete both on its website and within its Code of Conduct. In addition, Qwest should implement a streamlined complaint process for CLECs experiencing difficulties with this issue. Staff also recommended that the Commission require Qwest to send out relationship management surveys to CLECs annually, as part of its CMP process, to determine whether Qwest is meeting its obligations in this regard, and that it is not acting in an anti-competitive manner with respect to any CLECs. Qwest should be required to publish the results of its survey on a state by state basis, where applicable.

70. In Eschelon's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that CLECs should also be able to provide input, through the CMP, on the relationship management survey process in order to help craft relevant survey questions and have input on which CLEC employees should be surveyed. In Qwest's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest objects to Staff's recommendations on this issue for several reasons. First, Qwest states that training all of its wholesale personnel in every aspect of switch features for every switch is unreasonable. Second, Qwest's Code of Conduct states that all employees need to complete the required training. Third, Qwest believes that its current escalation process adequately addresses the recommendation that a streamlined complaint process be implemented. Fourth, Qwest states that it is developing a relationship management survey for CLECs. In Qwest's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest disagrees with Eschelon that CLECs should be involved in developing the surveys since this would compromise

the integrity of the survey process. Qwest has hired an independent third party to design and implement the survey.

71. Staff continues to support its initial recommendations that Qwest should be required to certify that its employees which interface with CLECs on end-user affecting issues have attended and passed the requisite training; that Qwest publish the training such employees are required to complete both on its website and its Code of Conduct; and that Qwest implement a streamlined complaint process for CLECs experiencing difficulties with Qwest representatives. Staff also continues to recommend that Qwest submit a relationship management survey, as part of the CMP process, to CLECs to obtain their input on Qwest's performance. While Qwest argues that it is not appropriate for CLECs to direct the design of the survey, Staff believes that it is also inappropriate that Qwest unilaterally control the design of the survey. Staff believes that both the CLECs and Qwest should have equal input into the survey. This may be accomplished through an independent third party vendor which Qwest states it has already hired, as long as the third party vendor is able to maintain its independence and is able to give equal weight to all parties' input into the survey. As long as Qwest will provide assurances to the Commission that Qwest and the CLECs will have equal opportunity for input into the survey, and the final survey is submitted to both Qwest and the CLECs for input and final comments, Staff's concerns are met. We believe that Staff's recommendations are reasonable.

72. The final sub-issue raised by Eschelon had to do with the availability of Market Expansion Line ("MEL") with UNE-P. In its June Report and Recommendation, Staff understood that MEL is provided by Qwest through AIN. Staff believed MEL to be equivalent to remote call forwarding, which is also a switch-based feature. This feature could be provided as an unbundled switch network element that does not require a port. However, Staff concluded that this issue had been resolved through its above recommendations on Remote Access Forwarding. In Qwest's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest clarifies that MEL is not an AIN service nor is it a feature available with UNE-P. However, Qwest will allow a CLEC to use the SRP to order MEL as a new UNE. Staff believes

that Qwest's response addresses this impasse issue and that the issue is closed. We agree with Staff.

Disputed Issue No. 2 – Unannounced Dispatches

73. Eschelon stated that a documented process that is available to CLECs for non-emergency maintenance visits by Qwest to CLEC end-user premises should be established to ensure that proper procedures are followed regarding notice, branding, and coordination. Qwest stated that it has an internal process in place to ensure that the customer of record (i.e., CLEC) is notified if a Qwest technician is going to work on a CLEC end-user premise. Qwest said that it is an internal process, so it will not share existing documentation about the process with CLECs. Instead, Qwest said it would create a matrix describing the process and distribute it to CLECs.

74. In its Report, Staff believed that Qwest's proposal resolved this impasse issue. Qwest did provide a matrix describing the process and distributed it to the CLECs. The matrix was added to the Qwest Wholesale Web Site.

75. In Eschelon's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon suggests that the Commission should require Qwest to add links on its website to the relevant portions of the PCAT to better direct CLECs to the matrix. In Qwest's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that it agrees with Eschelon's suggestions on this issue and will make its matrix available in the Maintenance and Repair PCAT. We agree with Staff that this issue is now resolved.

Disputed Issue No. 3 – DSL: Disconnect In Error

76. Eschelon suggested that Qwest should have a written obligation to escalate a disconnect in error for DSL to be due the same day. Qwest stated that it implemented process modifications to address this issue. In situations involving disconnects in error, Qwest typically restores service in less than 24 hours. Qwest also stated that if the CLEC has unique situations, it should use the escalation process.

77. In its Report and Recommendation, Staff acknowledged that the results cited by Qwest show improvement, however, Staff disagreed with Qwest that there is no need to impose a

shorter restore interval for this problem. If Qwest disconnects a DSL service in error, this is equivalent to a trouble condition. Therefore, the DSL repair out of service commitment interval should be used to restore service. Staff further stated that this commitment should be documented in Qwest's repair process procedures in the PCAT.

78. In Qwest's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that its process of creating an order to restore service when a disconnect occurs is appropriate. Also, Qwest states that it is also appropriate that the order includes the standard interval for provisioning service. In its Reply Comments, Eschelon stated that under the current standard interval, a CLEC's end-user customers can wait days for their DSL service to be restored, which should not have been disrupted in the first place.

79. Staff disagrees with Qwest on this issue and continues to support its initial recommendation. If Qwest disconnects a DSL service in error, this is equivalent to a trouble condition and the DSL repair out of service commitment interval, therefore, should be used to restore service. Qwest shall document this revised process in its repair process procedures in the PCAT.

Disputed Issue No. 4 – DSL: Disconnect DSL Early (Before Voice)

80. Eschelon suggested that Qwest should be required to leave DSL functional until the time of cut requested by CLEC (and not earlier). Eschelon also suggested that Qwest should be required to show that it is following this process before gaining Section 271 approval. Qwest stated that it is currently investigating alternative solutions that would allow the DSL service to remain functional until the time the voice service is disconnected. Once these solutions have been thoroughly analyzed, Qwest stated that it would communicate proposed changes to the CLECs via the Change Management Process ("CMP") in November 2002.

81. In its Report and Recommendation, Staff agreed with Eschelon on this issue. Qwest recently provided an update on the CMP November meeting. It reported that an internal DSL system change was implemented on December 17, 2002. Eschelon concurred with the change. With this update, we agree with Staff that this impasse issue is closed.

Disputed Issue No. 5 – Maintenance and Repair: Discrimination

82. Eschelon stated that Qwest should be required to provide a statement of time and materials and applicable charges to CLECs at the time maintenance and repair work is completed (as Qwest does with retail customers). Qwest responded that it does provide CLECs with a dispute process for repair charges. Qwest is also trying to determine the cost of implementing a change that would allow Qwest to send daily email messages to CLECs after completion of the repair ticket, which would detail the ticket number of the repair and associated charges.

83. In its Report and Recommendation, Staff agreed with Eschelon that this is a very important issue in need of resolution. Qwest reported that a CR on this issue is in the development phase and is following the CMP process. Staff recommended that Qwest advise the Commission when this process is agreed upon and implemented. The PCAT in the Repair Overview should then be updated to advise CLECs of this procedure.

84. In Qwest's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that the CR was modified to provide CLECs with the ability to view all of their repair invoices on the internet. Qwest implemented this CR on June 25, 2003, and the PCAT was updated to include this process on June 25, 2003, as well. In Eschelon's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that Qwest's statement that the CR was successfully implemented on June 25, 2003, is incorrect. The deployment was not successful and a CR on this issue remains open.

85. Staff continues to support its initial recommendation. We find Staff's recommendation to be reasonable.

Disputed Issue No. 6 – Maintenance and Repair: Untimely Bills

86. Eschelon stated that Qwest should be required to make a written commitment to CLECs to provide timely bills or, if untimely, not apply the charges to CLEC bills. Qwest stated that the policy of not billing for maintenance charges over 45 days old was implemented in February 2002. Qwest stated that it believes that no additional commitment related to this issue is necessary.

87. In its Report, Staff recommended that the Commission require Qwest to document its policy so that it is applied uniformly. This policy should also be posted on the PCAT web site under Repair Overview so that CLECs are aware of this policy.

88. In Eschelon's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that Qwest has interpreted its policy as meaning that Qwest will not write an order to generate a bill more than 45 days following the process date. However, Eschelon believes that this interpretation is incorrect and requests clarification that bills will be sent within 45 days of the repair date. In Qwest's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that maintenance and repair charges will not be processed if the repair date was completed 45 days or more in arrears of the process date. In AT&T's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, AT&T states that it disagrees with Qwest's interpretation of Staff's recommended billing policy. Eschelon also noted in reply comments that Qwest has claimed to Eschelon that it is proper under the same policy to send a bill 75 days after the repair work was completed.

89. Staff agrees with Eschelon that Qwest misinterpreted Staff's recommendation. Qwest should issue bills within 45 days of the date that the maintenance or repair occurred. As noted in Staff's June Report, this is consistent with Qwest's sworn testimony provided to the FCC that "bills are not issued on maintenance charges that are over 45 days old." Notarianni & Doherty Checklist Item 2 OSS Reply Declaration, para. 238 (July 26, 2002).

Disputed Issue No. 7 – Maintenance and Repair: Insufficient Information in Bills

90. Eschelon stated that Qwest should be required to provide the circuit identification number on unbundled loop bills for maintenance and repair charges. Qwest stated that it and the CLECs are working, through the CMP, to develop a mechanized means for communicating repair charges to CLECs regardless of how the associated trouble report was submitted. Qwest also stated that its bills do provide sufficient information so that the circuit identification numbers are not necessary for Eschelon to review its repair charges. Qwest also stated that it implemented process modifications in March 2002, to allow the CLEC to more easily reference the charges on a bill to a specific trouble report.

91. In its June Report, Staff stated that the CMP process should resolve this issue. Qwest recently reported that circuit identification information on unbundled loop bills for maintenance and repair charges is already in the Central and Western regions. This CR, when implemented, will provide this functionality in the Eastern region as well. This CR was to be implemented on March 2003. Staff recommended that Qwest advise the Commission when this process is completed and implemented.

92. In Qwest's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that the CR was implemented on March 17, 2003.

93. We agree with Staff that this impasse issue is now closed.

Disputed Issue No. 8 – Maintenance and Repair: Pair Gain

94. Eschelon stated that Qwest should not be allowed to impose upon CLECs dispatch charges before it has ensured that the loop is working from its equipment to the pair gain. Eschelon also stated that Qwest should not be allowed to impose unnecessary maintenance and repair charges on CLECs that are due to Qwest's use of pair gain. Qwest stated that a change was made on July 23, 2002, that provided that when the repair call handling bureau receives reports that say anything about pair gain, they are instructed to take the ticket whether any trouble results have been indicated or not. Qwest also stated that it does not impose unnecessary maintenance and repair charges. Specific to the issue of pair gain, when the CLEC identifies up-front that the facilities are pair gain, Qwest will not assess optional testing charges. Qwest offered additional language in its PCAT as further clarification of its policy.

95. In its June Report, Staff agreed with Qwest's new process for handling of trouble testing that includes pair gain. Qwest should not impose unnecessary maintenance charges because a subscriber is served by pair gain facilities when the correct process is followed. No party commented on Staff's resolution; therefore this issue appears to be resolved.

Disputed Issue No. 9 – Maintenance and Repair: Reciprocity

96. Eschelon stated that Qwest should be required to accept charges from CLECs for testing that CLECs conduct for Qwest in the same types of circumstances under which Qwest charges CLECs. This requirement should be clearly stated in Qwest's Statement of Generally

Acceptable Terms ("SGAT"). Qwest responded that consistent with industry practice, its interconnection agreements require that CLECs test to isolate trouble to the ILEC network before issuing a trouble ticket to Qwest and provide for charges to apply when the trouble is found to be outside the Qwest network. Qwest stated that CLECs use Qwest's network to serve their end-users; the reverse is not true.

97. In its Report, Staff agreed with Qwest on this issue. This issue of reciprocal charges for repair was discussed at length in the Checklist workshops and was not identified as an impasse issue at that time. The CLECs agreed with the language now in the SGAT. As pointed out in the SGAT, trouble isolation for a CLEC customer is a CLEC responsibility.

98. In Eschelon's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that Staff's recommendation only applies to charges for *initial* testing, but not to charges for subsequent testing due to Qwest error. Therefore, Eschelon believes that the Commission should not preclude further review of this issue with its final ruling in the Section 271 case. In Qwest's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that it agrees with Staff and disagrees with Eschelon.

99. Staff disagrees with Eschelon and reaffirms its position on this issue. Staff's position is reasonable and shall be adopted.

Disputed Issue No. 10 – Loss and Completion Reports

100. Eschelon stated that Qwest should be required to provide to CLECs with a single report that lists the customers that have left the CLEC to go to another carrier. Qwest replied that it has a different understanding of what should constitute an internal versus external loss indication on the report. This was discussed further during the September CMP meeting and Eschelon will be issuing a system CR to initiate the process for the change.

101. Staff agrees that a CLEC should be notified when a customer is lost. It is understood that this information is on the Loss and Completion Report, but not as clearly indicated as Eschelon would like. Qwest reported that Eschelon issued a system CR (SCR093002-01). Qwest discussed the requirements with all CLECs in December 2002 to ensure that all CLECs

understand how the changes will impact the report. The CR is in the definition phase now and following the CMP process.

102. In Eschelon's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that Qwest should be required to notify the Commission when the process is implemented. In Qwest's comments to Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that the CR was implemented on June 25, 2003. In Eschelon's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that not all issues relating to loss and completion reports were resolved on June 25, 2003. Eschelon states that the Commission should require Qwest to perform a comparison of losses and completions to reports for resale, UNE-P, and unbundled loops for 30 days.

103. Staff disagrees with Eschelon's suggestion and continues to support its initial recommendation. Staff recommends that Qwest continue to keep the Commission apprised of the progress on the open action item in CMP, the change that it has promised to implement by month's end (See Eschelon Reply Comments at p. 8) and the extent to which the CLEC concerns have been met.

Disputed Issue No. 11 – Policy of Not Applying Rates in Interconnection Agreements

104. Eschelon stated that Qwest should not unilaterally impose on a CLEC, that has not opted in to an SGAT, a rate that has not been approved in a Commission cost docket or that does not use the Commission approved cost model. Eschelon questioned whether the Commission should establish a process under which, if a charge is due and is not in the interconnection agreement, Qwest must negotiate a rate, obtain commission approval for a rate, or at least reach agreement on using the commission approved cost models and processes to calculate the rate before charging the rate.

105. In its Report and Recommendation, Staff stated that the rates included in the SGAT should reflect the Commission approved rates resulting form the latest wholesale pricing docket in Arizona. These rates were most recently set in Docket No. T-00000A-00-0194. If the CLEC interconnection agreement does not include rates for the work or service requested, then Qwest can

and should utilize SGAT rates, as these are approved Commission rates. However, even for rates included in an interconnection agreement, many agreements provide that they shall be superceded by any Commission approved rates in a generic costing docket. If Eschelon disputes whether Qwest is applying any charge correctly, it has the right to raise the issue with the Commission.

106. In Eschelon's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon clarifies that it does not object to the application of Commission approved rates. Eschelon states, however, that Qwest's SGAT contains many rates that have not been approved by the Commission in a cost docket. Eschelon believes that for these instances, the rate is interim and subject to true up once the Commission approves final rates. Eschelon also states that when Qwest adds non-Commission approved rates to its SGAT, Qwest must provide cost support for these proposed rates and incorporate this information into the SGAT.

107. Eschelon also states that Qwest recently has imposed construction charges on CLECs for line conditioning. However, Eschelon states that no construction is required for line conditioning and that the Commission has not approved this new charge. Eschelon requests that the Commission require Qwest to suspend this policy of charging a construction charge for line conditioning until it brings these changes to the Commission and obtains approval. On July 25, 2003, WorldCom, AT&T, and Covad filed reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2. On July 28, 2003, MTI filed reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2. Each of these CLECs concur with Eschelon's comments on the newly implemented construction charge for line conditioning. WorldCom recommends that the Commission withhold Section 271 approval until the new construction charge process is eliminated or revised to be consistent with Commission cost docket orders and Qwest's SGAT. MTI states that until Qwest eliminates the construction charge on line conditioning, it is not in compliance with Checklist Item 4. In Qwest's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that it agrees with Eschelon that issues pertaining to construction charges for line conditioning should be addressed. Qwest believes that Phase III of the cost docket is the

appropriate place to address this issue. Qwest also states that its construction policy should not be suspended since it agrees to provide refunds to CLECs, if so ordered by the Commission.

108. To the extent unapproved rates are contained in Qwest's SGAT, Staff believes that they would be considered interim and subject to true up once the Commission approves final rates. However, Staff does not believe that there should be any rates in the SGAT that Qwest has not separately filed with the Commission, along with cost support, for prior review and approval. To allow Qwest to simply put rates into effect, without the agreement of the CLEC in a particular case through a negotiated interconnection agreement, could be a great impediment to competition.

109. Staff agrees with Eschelon with respect to the recently imposed construction charges on CLECs for line conditioning. Staff is extremely concerned that Qwest would implement such a significant change through its CMP process without prior Commission approval. As noted by AT&T, during the Section 271 proceeding, the issue of conditioning charges was a contested issue. Language was painstakingly worked out in the Qwest SGAT dealing with the issue of line conditioning which Qwest's new policy is at odds with. Staff recommends that Qwest be ordered to immediately suspend its policy of assessing construction charges on CLECs for line conditioning and reconditioning and immediately provide refunds to any CLECs relating to these unauthorized charges. Qwest should reinstitute its prior policy on these issues as reflected in its current SGAT. If Qwest desires to implement this change, then it should notify the Commission in Phase III of the Cost Docket, but must obtain Commission approval of such a change prior to its implementation. To the extent Qwest does not agree to these conditions, Staff recommends that Qwest's compliance with Checklist Items 2 and 4 be reopened. We agree with Staff.

Disputed Issue No. 12 – Collocation

110. Eschelon raised several sub-issues related to collocation. Eschelon stated that Qwest should demonstrate that its documented processes for ensuring that CLEC collocation equipment is protected during construction activities have been tested and proven successful before the Commission recommends Section 271 approval. Eschelon also stated that this approval should be withheld until Qwest demonstrates that it obtains authorization to enter a CLEC's

collocation facilities before entering them. Qwest stated that it has fully distributed documentation to its employees on proper collocation procedures.

111. In its Report, Staff agreed that this is a very serious issue. It appears from Qwest's response that they take this issue seriously and have taken appropriate steps. Therefore, Staff believes this issue is resolved going forward. We agree with Staff, however, that Eschelon notify Staff if there is a reoccurrence of this problem.

112. Eschelon suggested that Qwest be required to provide CLEC collocation personnel with Qwest's written processes and procedures for protecting CLEC collocation equipment during construction and to incorporate those procedures on its wholesale website. Eschelon also suggested that language be added to the SGAT to require Qwest to pay for clean up costs when Qwest construction results in dust contamination to CLEC equipment. Qwest stated that it has documented all processes for ensuring that CLEC collocation equipment is protected during construction activities and has distributed this information to its managers. Qwest has also posted this information on its wholesale website.

113. In response to this issue, Qwest advised that it has developed written processes and procedures for protecting CLEC collocation equipment during construction. The enhancement of these processes and procedures was the subject of CMP change request PC021502-1, the response to which was approved in the CMP in April 2002. In the response to CR PC021502-1, a commitment was made to update Qwest's Technical Publication ("Tech Pub") No. 77350 which is referenced in the collocation section of the SGAT and the collocation section of the PCAT. The update of Tech Pub 77350 related to approved change request PC021502-1 has been distributed through the CMP and is available to CLECs on the wholesale website. Staff believes that this response by Qwest satisfies Eschelon's request on this issue. Staff recommends that the SGAT be changed to include language that provides for Qwest to pay for clean up costs when Qwest construction results in dust contamination to CLEC equipment. This language also should be reciprocal. In Qwest's comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Qwest states that it agrees to modify the SGAT so that there are reciprocal

obligations on each party to pay for the cleaning necessary after construction activities. We agree with Staff that this impasse issue is now closed.

114. Eschelon next requests that Qwest be required to provide CLECs final Alternative Point of Termination ("APOT") information at least 15 days before a collocation ready for service ("RFS") date so that CLECs are able to place orders early enough to enable them to use their collocations on the RFS date. Eschelon proposed changes to the SGAT to address this issue. AT&T stated that it does not oppose the change proposed by Eschelon. Qwest did not accept Eschelon's recommendations on this issue. Qwest stated that it has a 90-day timeframe for completing a collocation. Providing a CLEC with a final APOT 15 days prior to the RFS date, would mean that Qwest must give the CLEC collocation in a reduced time frame. Qwest agreed to provide the preliminary APOT information to the CLEC 15 days prior to the ready for service ("RFS") date.

115. Staff agrees with Qwest on this issue. Qwest has 90 days to complete the collocation. Giving the CLEC final APOT information in effect reduces the Qwest interval by 15 days. The 90 day interval for providing collocation space is short and substantially improved from original collocation provisioning intervals. Qwest states that it provides the preliminary APOT to the CLECs as a courtesy. Staff does not agree that requiring a final APOT 15 days early is justified at this time. We agree with Staff.

116. Eschelon next stated that Qwest should not be permitted to charge CLECs a maximum price of $345 for all collocation augment quote preparations. Eschelon also stated that Qwest should not be permitted to charge CLECs the entire augment quote preparation fee of $345 for the minor activity of terminating unused power. Qwest stated that the Quote Preparation Fee of $345 was agreed to in the Arizona cost docket (T-500000A-00-0194, Decision #64922). Qwest stated that these issues are best addressed in a cost docket proceeding.

117. Staff agrees that the quote preparation fee should be cost based. The quote preparation fee developed in the wholesale pricing docket was based upon information submitted by Qwest on the time and effort involved in this endeavor. To the extent circumstances vary, and less time is involved, the price should reflect the actual cost to Qwest.

118. Eschelon also stated that Qwest should provide an objective and reasonable definition of what constitutes a "material change" to a collocation order so that Qwest cannot unilaterally delay a CLEC's collocation order when a minor, non-material change is requested by a CLEC. Qwest stated that it would agree to define material change as those items listed on its web site under "Major/Minor Material Changes." The collocation application should be complete and accurate when it is received, however, Qwest is willing to accommodate changes. After much discussion, additional SGAT language was agreed to in all states' 271 workshops. AT&T agreed to the additional SGAT language. AT&T does not agree to allow Qwest to define material change through a listing on its website since Qwest can change its website at any time.

119. In its Report, Staff agreed with AT&T on this issue. In the workshop on this issue, the parties agreed to the language in the SGAT. Since Eschelon has not proposed alternate language, Staff agrees that the SGAT should not be changed.

120. Eschelon next argued that Qwest should be required to demonstrate that it has a process in place to provide CLECs with timely and accurate information informing them when a collocation space becomes available at a Qwest premise prior to the Commission's approval of Section 271. AT&T agreed that as space becomes available in a Qwest premise, it should be made available to CLECs as soon as possible, especially when a queue has developed at that particular location. AT&T stated that the SGAT does contain a process for informing CLECs of collocation space, but it is unclear whether this process has been followed in the examples cited by Eschelon. Qwest stated that there are several issues that may inhibit Qwest's ability to make unused space available in a timely manner. Qwest stated that agreement was reached through the CMP on processes for decommissioning collocation space and transfers of responsibility for collocation space. Qwest also stated that it began posting a collocation available space inventory on its website in September 2002.

121. In its Report, Staff stated that this issue has been adequately addressed in the CMP. Qwest now posts available pre-provisioned collocation space on its website. With Qwest's action, this issue now appears to be resolved.

122. The next issue raised by Eschelon relating to collocation, had to do with whether Qwest should be required to charge CLECs the rates contained in the parties' interconnection agreement for collocation space rather than SGAT rates. Qwest researched the specific issues pertaining to Eschelon. The parties' interconnection agreement did not include some rate elements associated with the cageless collocation. Therefore, Qwest provided a quote for this cageless collocation based on the approved Arizona SGAT for those rate elements.

123. Staff believes that Qwest provides a satisfactory explanation on this issue. Rates in the parties' interconnection agreements should be utilized. If there are no rates agreed to in an interconnection agreement for certain services, then the SGAT, which contains Commission approved rates, should be utilized.

124. .Eschelon next stated that Qwest should be required to provide CLECs with adjacent off-site collocation, a form of collocation offered by another ILEC, Southwestern Bell Telephone ("SWBT"). Eschelon argued that the FCC requires Qwest to provide this collocation if requested and technically feasible. Eschelon suggested changes to the SGAT language regarding this issue. Qwest argued that there is no legal requirement or FCC rule that requires Qwest to provide collocation in or on property owned by a third party. AT&T took no position on Eschelon's proposal. However, if Eschelon is able to obtain this form of collocation, AT&T stated that it should be available to other carriers.

125. In its June Report, Staff agreed with Qwest on this issue. Staff believes that Qwest has met its obligations under FCC orders and rules on this issue. We agree with Staff.

126. Eschelon stated that Qwest should be required to permit CLECs to interconnect at the Intermediate Combined Distribution Frame ("ICDF"). Qwest indicated that it has initiated a CR through CMP to allow for termination of Local Interconnection Services ("LIS") at the ICDF. If Qwest implements this change, Eschelon agrees that this issue will be resolved. AT&T agrees that CLECs should be able to access interconnection at the Qwest ICDF. Qwest responded with new language for the SGAT on this issue. Qwest stated that it expects its CR on this issue will be presented during the August 2002 CMP meeting with the expectation of product availability by September 2002.

127. Staff believes that this issue has been resolved through the CMP. With the change, Qwest will allow the combination of finished services (i.e., LIS) with other elements at Eschelon's ICDF Collocation. This issue is resolved

Disputed Issue No. 13 – Interconnection

128. Eschelon stated that Qwest should not be permitted to charge transit charges in addition to access charges on intraLATA toll calls. Eschelon stated that the SGAT section regarding this issue should be deleted. Qwest stated that it should be permitted to charge for transit of Eschelon's local customers' intraLATA toll when Eschelon sends Qwest a call that Qwest delivers to a non Feature Group D ("FGD") carrier network, and the dialed number is intraLATA toll. If Eschelon sends Qwest a call that Qwest delivers to an FGD interexchange carrier network, Qwest does not bill Eschelon a transit rate. Qwest agreed that it should not charge for transit of Eschelon's local customer's intraLATA toll in addition to assessing access charges on an interexchange carrier for jointly provided (meet-point-billed) intraLATA toll calls. AT&T stated that the issue raised by Eschelon and its proposal need to be more fully developed and understood before changes are made to the SGAT.

129. In its Report, Staff stated that this issue is a cost docket issue and should be resolved there.

130. Eschelon stated that Qwest should not be permitted to charge CLECs for incomplete or old Category 11 billing records. Eschelon proposed a definition of a billable record that should be added to the SGAT. Qwest agreed with the proposed language change. AT&T did not object to the SGAT changes proposed by Eschelon.

131. Staff understands that Qwest has agreed to the changes requested by Eschelon. This closes the impasse issue.

132. Eschelon also argued that Qwest should not be permitted to charge CLECs an assumed tandem switching and tandem transmission mileage rate for which Qwest has provided no evidence as to the validity of the assumption. Eschelon also stated that CLECs should have the right to be charged a tandem switching and tandem transmission rate based on actual miles rather than on assumed miles. Eschelon recommended changes to the SGAT language reflecting its

position on these issues. AT&T did not agree that the SGAT language should be changed. According to AT&T, the current SGAT language is more workable in that it allows for traffic to be carried, without delay, based on assumed mileage. Even with this as the default, the current SGAT language, as written, should permit carriers to establish actual mileage at any time. Qwest stated that actual distances are not always measurable so the use of average assumed distances is necessary.

133. Staff concurs with AT&T and Qwest on this issue. The current SGAT language is appropriate and workable.

Disputed Issue No. 14 – Tandem Failure Events

134. Eschelon also raised the issue of tandem failure events, stating that Qwest does not have a PID to measure these events. Eschelon suggested that when Qwest representatives receive calls from CLEC customers which lead the CLEC customers to believe that problems resulting from a tandem failure event were the fault of the CLEC, Qwest should be required to provide non-confidential documentation to show that there was a tandem failure event. Qwest stated that it does notify CLECs of tandem failures. Qwest explained the processes it uses to inform CLECs. Qwest stated it would provide CLECs information that will contain a root cause analysis of the network failure.

135. In its Report, Staff believes the description furnished by Qwest summarizing its processes for handling and reporting network outages is adequate. The process offered by Qwest to provide outage information for CLECs to provide their customers should also satisfy Eschelon's concern. Qwest will provide information that will contain a root cause analysis of the network failure. This can be used to explain to a customer the cause of the network problems they experienced. The information is provided without a confidential footer and can therefore be shared with customers.

136. In Eschelon's reply comments on Staff's Final Supplemental Workshop Report on Checklist Items 1 and 2, Eschelon states that Staff's recommendations should be fully implemented before the Commission grants Section 271 approval.

137. Staff disagrees with Eschelon that all of Staff's recommendations contained in its Report need to be fully implemented prior to Section 271 approval.

138. With Staff's recommendations as to the resolution of all Checklist Item impasse issues as described above, Staff believes that all outstanding Checklist Item issues raised in the Supplemental Workshop have now been resolved. Qwest should be required to provide evidence that it has implemented Staff's recommendations. This evidence and the effectiveness of the recommendations will be reviewed at the first six-month PAP review.

139. Based upon the proceedings and record herein, and Qwest's agreement to implement the recommendations set forth above, Staff recommends that the Commission find that Qwest is in compliance with applicable Section 271 Checklist requirements.

CONCLUSIONS OF LAW

1. Qwest is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. Sections 40-281 and 40-282 and the Arizona Corporation Commission has jurisdiction over Qwest.

2. Qwest is a Bell Operating Company as defined in 47 U.S.C. Section 153 and currently may only provide interLATA service originating in any of its in-region States (as defined in subsection (I)) if the FCC approves the application under 47 U.S.C. Section 271(d)(3).

3. Pursuant to 47 U.S.C. Section 271(d)(2)(B), before making any determination under this subsection, the FCC is required to consult with the State Commission of any State that is the subject of the application in order to verify the compliance of the BOC with the requirements of Section 271.

4. The Commission, having reviewed the Final Supplemental Report on OSS Issues dated February 25, 2003, concludes that as a result of the proceedings and record herein, and subject to Qwest's agreement to implement the recommendations contained herein, Qwest has sufficiently demonstrated before this Commission that it meets all applicable OSS Testing requirements relating to the issues addressed herein.

5. The Commission, having reviewed the Final Supplemental Report on Checklist Issues dated June 27, 2003, concludes that as a result of the proceedings and record herein, and

subject to Qwest's agreement to implement the recommendations contained herein, Qwest has sufficiently demonstrated before this Commission that it meets all applicable checklist requirements relating to the issues addressed herein.

ORDER

IT IS THEREFORE ORDERED that Qwest shall implement the recommendations contained in the Final Supplemental Report on OSS Issues, attached hereto as Exhibit A, as modified herein.

IT IS FURTHER ORDERED that Qwest shall implement the recommendations contained in the Final Supplemental Report on Checklist Issues, attached hereto as Exhibit B, as modified herein.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN COMMISSIONER COMMISSIONER

COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I, JAMES G. JAYNE, Interim Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this ____ day of __________, 2003.

James G. Jayne
Interim Executive Secretary

DISSENT: ____________________

DISSENT: ____________________

EGJ:MGK:MAS

A

IN THE MATTER OF QWEST CORPORATION'S SECTION 271 APPLICATION

ACC Docket No. T-00000A-97-0238

REPORT ON THE

JULY 30 – 31 WORKSHOP

(Report One – Operations Support Systems Related Issues)

FEBRUARY 25, 2003

I. Introduction

1. The Purpose of this Report and Recommendation is to address the issues raised by parties in the Workshop conducted by the Arizona Corporation Commission (ACC) Staff on July 30 and 31, 2002. This Workshop was held in order to give parties to the Qwest Section 271 proceeding in Arizona, who did not actively participate in the process, and who believed there were unresolved issues resulting from this non-participation, an opportunity to raise these issues, provide an opportunity for Qwest to respond, and to resolve any issues at impasse between the parties.

2. This Report (Report One) focuses on Operations Support Systems (OSS) related issues that were discussed in the July 30 – 31, 2002 Workshop and which were the subject of subsequent filings; Checklist Item issues are addressed in a separate report (Report Two).

II. Background

3. As stated in the Supplemental Staff Report and Recommendation concerning the 271 proceeding, four parties including XO, Eschelon, Z-Tel and McLeod had agreements with Qwest which acted to limit their participation in the Commission's 271 proceeding. Two of these carriers, Eschelon and McLeod, stated that they had unresolved issues as a result of agreements with Qwest. AT&T, WCom and Covad raised concerns about the non-participation of certain parties and with the resulting impact on the 271 record.

4. Staff held a Workshop on July 30-31, 2002, to address the concerns of parties, including Eschelon and McLeod, who believed they have been precluded from raising issues due to their agreements with Qwest. Other parties were allowed to participate to the extent they had issues which arose from the new evidence presented.

5. In late June or early July Staff sent two sets of data requests to the approximately 80 carriers that are certified as CLEC's in Arizona, as well as to the parties to this Docket and the 252(e) proceeding. Staff received responses from 44 of the 55 operating companies which could respond and contacted as many remaining carriers who did not respond as possible. In the data requests Staff asked whether the carrier had entered into any agreements with Qwest, either written or oral, which had precluded the carrier from participating in this proceeding. If the answer was "yes", the carrier was asked whether there were any issues that had been precluded from raising that had not yet been resolved through the participation of other parties.

6. Three responding CLEC's stated that they had entered into agreements that limited their participation in the Qwest Section 271 proceeding.[1] The only CLEC that answered with an unqualified "yes" was Eschelon. Eschelon's data request response to question four of data request No. 1 provided substantial comment on the fact that they had a signed unfiled contract in which they had agreed not to oppose Qwest in their 271 proceedings at the State Commission. A total of four CLECs responded that they were aware of Section 271 issues that they believed were not adequately addressed in the Arizona proceedings as a result of Qwest's unfiled agreements with CLECs. WCom, AT&T and Covad answered "Yes" to Question four of Data Request No. 1. Of these

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[1] While only three CLEC's (Eschelon, McLeod and Z-Tel) indicated in their responses to Staff Data Requests that they had entered into agreements with Qwest that limited their participation to some extent in the 271 case, Staff also found an agreement between Qwest and XO with similar provisions.

WCom answered generically, and AT&T and Covad answered "Yes" because they believed Eschelon had issues that were not adequately addressed. Thus, Eschelon was the focal point for responses concerning issues that were not all resolved satisfactorily. Eschelon went on to state that since they could not participate, they did not know whether all issues had been addressed.

7. Both Eschelon and McLeod raised issues during the workshop which they claimed they had been precluded from raising during the course of the Arizona 271 proceeding because of written and oral agreements with Qwest, respectively.

8. Eschelon raised a series of issues relating to Qwest's commercial performance. Eschelon's list of unresolved issues, summarized in its filing with the FCC on Qwest's five state application, included the following:

1. A Release 10.0 change was preventing CLEC-to CLEC Orders
2. Any telephone number coming from a 1FB with CCMS (Customer Calling Management System), Centrex 21, Centrex or Centron for conversion to UNE-P or Resale Pots will not flow through
3. The GUI process is cumbersome and will remain so as long as it continues to rely on so many manual processes
4. Qwest is dispatching technicians for orders that do not otherwise generally require a dispatch
5. Qwest does not have back end system records containing the DSL technical information needed for repair of Centron/Centrex Plus lines with DSL
6. Eschelon experiences inordinate delay when Qwest disconnects the customer's DSL in error
7. When Eschelon converts a customer from Qwest to Eschelon, Qwest at times disconnects the customer's DSL early
8. Qwest has no process to migrate an existing CLEC customer (e.g., on resale or UNE-Star) with DSL to UNE-P without bringing the DSL service down.
9. Outages of Qwest's ordering tool must be incurred to obtain information needed by Eschelon to complete DSL installations
10. When Qwest provides repair services to its retail customers, Qwest provides a statement of time and materials and applicable charges to the customer at the time the work is completed, but does not do so for its wholesale customers
11. There have been instances where Qwest is providing a US WEST branded statement to Eschelon's end-user customers and requires them to sign it
12. Eschelon is not receiving timely bills for maintenance charges
13. Qwest does not include sufficient information on its bills for Maintenance and Repair work. For instance, Qwest does not include circuit identification information on Eschelon's bills, and also does not include the date of the dispatch or trouble repair
14. Qwest closes trouble tickets without authorization and with the incorrect cause and disposition codes
15. Eschelon incurs additional testing charges due to Qwest's use of pair gain
16. Eschelon and other wholesale customers do not receive accurate customer loss information. Qwest's retail side does receive accurate customer loss information
17. There is inadequate notice of rate and profile changes

18. Qwest charges rates that are not in Eschelon's Interconnection Agreements
19. There are problems with billing accuracy
20. There are problems with Qwest changing its PID reporting procedures without adequate notice to the CLECs
21. Qwest was not providing complete and accurate records to Eschelon to bill interexchange carriers access charges
22. There are Collocation Issues
23. There are CMP problems
24. There are tandem failure events

9. McLeod USA raised the following issues:

1. Qwest's failure to bill McLeod USA correctly under its Fourth Amendment to the Interconnection Agreement
2. Qwest's failure to make payments required under various agreements
3. Other performance issues that arise in the workshop discussions

10. As stated earlier in this report, AT&T, WCom and Covad all expressed concern with the record given the unfiled agreements and the non-participation of certain parties. Further, AT&T raised certain questions during the July 30-31, 2002 Workshop concerning Cap Gemini Ernst & Young's responses to the Data Requests which Staff had provided them.

11. In the following section of this report, Staff presents the arguments put forth by Eschelon, McLeod and AT&T and Qwest's responses thereto. Qwest's responses include its responses during the Workshop and those contained in Late Filed Exhibits.

III. Position of the Parties

A. Eschelon's Position

12. In its FCC Comments which Eschelon used as a basis for many comments at the Arizona Workshop, Eschelon stated that it was founded in 1996 and is a rapidly-growing provider of integrated voice, data, and Internet services. The Company offers small and medium sized businesses telecommunications and Internet products including local lines, long distance, business telephone systems, DSL, Dedicated T-1 access, network solutions, and Web hosting. To put its business in context, Eschelon serves or has served stores, offices, schools, churches, gymnasiums, libraries, museums, hospitals, clinics, warehouses, jails, florists, pizza delivery shops, restaurants, coffee shops, bail bonds offices, hair salons, automobile services, funeral homes and other small to medium businesses. Eschelon's loop customers subscribe to an average of approximately 4 to 5 lines, and Eschelon's T1 customers subscribe to an average of 16 access line equivalents.

13. Eschelon employs more than 950 telecommunications/Internet professionals and currently provides service to more than 32,000 business customers in Arizona, Colorado, Minnesota, Oregon, Utah, and Washington. Eschelon is certified in Idaho, Nebraska, and New Mexico as well. Eschelon's witness pointed out that the Company operated in most of Qwest's major metropolitan areas, including Phoenix, Salt Lake City, Denver, Portland, Seattle, Minneapolis and some other Tier

II Markets. She stated that Eschelon is about 75% on-net provisioning today and 25% off-net[2]. She followed up with the statement that the 25% off-net is now UNE-P.

14. Eschelon started out as a reseller but, over the last two and a half years, has built network to provide facilities-based local exchange service using its own switches and collocations. Eschelon does not own its own fiber; it leases facilities. Eschelon owns and operates switches in Arizona, Colorado, Minnesota, Oregon, Utah, and Washington. In some cases (particularly when a customer is located outside of the area served by Eschelon's switch), Eschelon also orders UNE-P, UNE-E/UNE-Star, or resale from Qwest to serve customers.

15. Eschelon is an Interconnect Mediated Access ("IMA')-Graphical User Interface ("GUI") user. Eschelon has engaged a vendor to work with Qwest to implement IMA-Electronic Data Interchange ("EDI"), but that effort is in the early stages. Eschelon states that it is Qwest's second largest Competitive Local Exchange Carrier ("CLEC") wholesale customer.

16. Eschelon states that Qwest needs to improve its commercial performance in the local market before entering the in-region interlata market. Eschelon FCC Comments at p. 3. Since January, 2001, Eschelon has provided Qwest a monthly "Report Card" summarizing Eschelon's experience with Qwest's performance. Eschelon states that in the April 2002 Report Card, out of the 15 measures reported, Qwest received an "unsatisfactory" for 10 of the measures; and a "satisfactory" for only five of the measures. Eschelon further states that it provides these Report Cards, along with backup data, to Qwest monthly, and meets each month with Qwest executives to discuss the results. According to Eschelon, over the last six months (November 2001 – April 2002), Qwest met satisfactory performance levels only 38% of the time.

17. Eschelon's witness stated at the beginning of its opening presentation at the Workshop that their effort would be to provide an idea of what it is like to do business in Qwest's territory and what the end-user customers experience is. She pointed out that if you look at whether the CLEC customer is going to change carriers initially you need to look at their experience, and how much of that experience was driven by Qwest. If the experience is adverse and the CLEC customer switches back to Qwest, she pointed out that this harms the CLEC's reputation and makes it harder to do business in the geographic area. She raised the question that if that's the case, is this the time to allow Qwest into the long-distance market, since by definition the local market really is not truly open? Eschelon believes that the message it has been receiving from Qwest is that Qwest doesn't want to hear from its Number Two CLEC wholesale customer, concerning its experience today.

18. Eschelon's witness stated that it was her plan to raise issues in this proceeding that were originally introduced in September of 2000, and go over the ones that are still problems today. She pointed out that Eschelon's problems have continued over a period of time, that they are persistent and need to be addressed. She included manual handling of orders, since much of Eschelon's transactions are manually handled which should be measured in order to accurately gauge the end-user customer experience. She also pointed out that, as far as the end date of the

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[2] Eschelon has its own switches for providing voice service. When using its switches to serve its customers, Eschelon orders collocation, loops, etc., from Qwest. In some cases particularly when a customer is outside of the area served by Eschelon's switch, Eschelon also orders UNE-E, UNE-P, or resale from Qwest to serve customers. Eschelon often refers to customers and lines served through Eschelon's own switching facilities as "on-net" or "on-switch" and customers and lines served through UNE-E, UNE-P, or resale as "off-net".

agreement in which Eschelon agreed not to participate, that virtually all workshops and proceedings had concluded by March 4, 2002. Further, she pointed out that it was extremely difficult to participate following March 4, 2002, when they were no longer contractually bound not to participate, since they were not familiar with the history of the proceeding during the period they did not participate, i.e.., between November 2000 and March 2002.

19. Eschelon entered 21 exhibits into the Record and stated that it would walk through its issues referencing those exhibits. They planned to start by reporting where they were on the issues raised in September of 2000, and referencing Exhibits E-1 through E-4 as a part of that discussion. Following this they planned to move to the Eschelon report card, which is covered by Exhibits E-5 through E-8. From this they planned to move to the comments that Eschelon filed with the FCC, and go over the issues raised in that filing.

20. **Commercial Performance; Manual Handling and Service Order Accuracy.** The most significant issue related to Qwest's OSS performance raised by Eschelon had to do inadequate manual handling and service order accuracy. Eschelon stated that Qwest's performance reporting is deficient and does not reflect Eschelon's adverse experiences in its commercial interactions with Qwest. Eschelon claims that these omissions explain in part why there is dueling data between Qwest and itself on Qwest's commercial performance.

21. Eschelon reported that the DOJ has recognized these two omissions in Qwest's performance data: (1) manual handling: "Qwest does not have any regularly reported commercial performance data on the accuracy of its manual order processing"; and (2) service order accuracy: "Qwest's regularly reported installation quality measure does not include troubles that are submitted for missing features as Qwest considers those as raising an order processing rather than a provisioning issue."[3] Eschelon stated that performance problems relating to Qwest's inadequate manual handling or orders and its service order inaccuracies, however, are at the root of many problems and that Qwest's performance cannot be accurately measured without fully accounting for these issues.

22. Eschelon stated that the extent of manual handling of orders at Qwest is very significant. Eschelon stated that while some of the instructions can be found in Qwest's product catalog ("PCAT"), many of the situations in which Qwest has told Eschelon that it must use manually handling are not documented on Qwest's wholesale web page. Because Qwest relies so heavily on manual handling, Eschelon experiences many errors that either adversely affect its end-user customers or increase Eschelon's costs, or both. Eschelon stated that before 271 approval is granted, as long as Qwest continues to rely on extensive manual handling, at a minimum an adequate performance measure should be in place, tested for a sufficient period of time, and penalties assessed for inadequate performance. At the Workshop, Eschelon expressed concern for training of Qwest personnel, and for the continuation of manual processing by Qwest, and pointed out that its volumes to date are not very high, but as these volumes increase (as long as the process continues to be manual) the worse the issue is likely to be. Eschelon urged Qwest to fix the process now and put the procedures in place, so that this issue will not recur in the future.

23. Eschelon further stated that there is a large disparity between Qwest's current performance results and reality because Qwest's regularly reported installation quality measure does

[3] Eschelon Telecom, Inc. August 15, 2002 FCC Comments, Citing DOJ Eval. (Qwest I), p. 19 & note 83.

not include troubles that are submitted for missing features or other service order accuracy errors. Feature problems can be as significant of a problem for customers as a loss of dial tone. For instance, if hunting is missing from the main line, a business will be able to receive only one call at a time, and other customers calling the business will receive a busy signal. Even worse for many businesses, if the call forwarding/don't answer feature is missing or not working properly, customers of the business will not even get a busy signal; the line will ring with no answer. This makes the business look very bad, as though no one is working during business hours.

24. Eschelon stated that if a feature that is significant to the customer is missing or does not work properly when that customer switches to a CLEC, the customer will view the transition to a competitive carrier as an adverse experience. The damage to the CLEC goes beyond the one transaction and harms the CLEC's reputation and ability to compete. Yet, Qwest does not report this in the performance metric, OP-5, which applies to "service affecting" problems. Qwest claims that this is an order processing problem rather than a provisioning issue. However, the business customer is effectively out of business because its features are not working making this a service affecting trouble. When the end-user customer calls Eschelon with the trouble, Eschelon, unlike Qwest, records it as a trouble reported within 30 days.

25. Eschelon has been including service affecting troubles (including feature problems) in its performance measure for Qwest's new service installation quality. When this information is included, the results show the true state of Qwest's performance. Eschelon claims that for off-net orders, Qwest's performance has been above 60% only once in the last 6 months. From December of 2001 through May of 2002, Qwest's performance for new service installation quality for off-net orders averaged 49.3% and the trend is downward. According to Eschelon, more than 50% of the time, these customers experienced service affecting troubles within 30 days of installation.

26. Qwest claims it is working on measures to address these problems, but according to Eschelon they are undeveloped, untried, untested, and unaudited. They are also not associated with a Performance Assurance Plan ("PAP"). For Qwest's proposed OP-20, Qwest has said that it plans to rely upon a sampling of data instead of complete data. Qwest has also said that it will not include Universal Service Ordering Codes ("USOCs") in its service orders field comparison. Without the inclusion of USOCs, the measure will significantly underestimate the problem, and it will have little value Eschelon argues.

27. Eschelon also disagreed with Qwest's proposed "augment" to OP-5, wherein Qwest suggested tracking instances of escalation tickets coming to repair from orders not written properly. If Qwest does not track the number of service orders revised or re-created due to errors, the number of errors will be underestimated. According to Eschelon, Qwest also proposed to include all orders in the denominator, instead of manual orders only, while using the number of service order mismatches for the numerator, which would lead to a misleading result. errors in the numerator.

28. Another reason Eschelon's numbers and Qwest's do not match is because of the way manual orders are reflected and whether they are included or not. Eschelon continued that, if you don't count manual order processing, as the DOJ has said Qwest doesn't, you are not counting a huge part of Eschelon's experience.

29. Eschelon's witness went on to say that they were interested in adding items to the PAP, as well as including them in individual PID's. They would prefer that the issues be resolved,

but in the meantime feel that penalties, such as those described in the PAP will assure that issues resolution will be implemented. Eschelon's witness stated that Eschelon believes that allowing Qwest into long distance before this kind of measure is fully in place and associated with a PAP is premature, since six months is an eternity for a small CLEC.

30. At the Workshop, Eschelon's witness described the Eschelon report card (Exhibit E-5) on Qwest performance for the month of April, 2002. She provided a brief history of the report card and how it was developed. She pointed out that Eschelon tried to match the PIDs but that there are at least two Eschelon measures which do not correlate with PIDs. These include E-2, timeliness of coordinated cutovers, and E-9, major network outages. She pointed out that the results on E-2 are unacceptable, and that the results on E-9 disparately affect CLEC customers, especially small CLECs like themselves, for whom it is uneconomic to have direct connection with long distance providers. Therefore the results are not acceptable.

31. Eschelon noted that Qwest had changed its PID reporting to combine UNE-E and UNE-P for reporting purposes. She commented that this was done on a retroactive basis in approximately November of 2001, as mentioned earlier. Eschelon was not notified in advance of this change to combine UNE-E along with UNE-P. Although UNE-P and UNE-E are both UNE combinations, and the UNE-E price may be a rough approximation of a combination price, that is not how the product is ordered, provisioned, or billed. She further stated that UNE-Star, UNE-E and UNE-M are ordered, provisioned and billed as resale. This is intended to be an interim process, but she stated that the long term process has not yet taken place. Therefore she stated that it is incorrect to put these data together.

32. While UNE-P and UNE-E were combined for the month (April), Eschelon does have these data broken out in May, the point at which Eschelon really initiated a full move to ordering UNE-P for new orders. Thus, the report cards through April reflect UNE-E, as well as UNE-P, as a combined number. Eschelon pointed out that on Exhibit E-5 if one were to combine UNE-E with UNE-P Qwest's performance would be 40.6% satisfactory, and approximately 60% unsatisfactory, on a region-wide basis. (Eschelon pointed out that it had not had the time to break out its report card performance measurement results on a state-by-state basis, but that if desired, it could do so.) Eschelon challenged Qwest's data stating that Qwest's performance was not acceptable.

33. Eschelon pointed to page 2 of Exhibit E-7, stating that basically, this exhibit and Exhibit E-8 show that, in terms of Eschelon's data, Qwest had a total satisfactory performance in January 2001 of 26.7% (out of 100%). Eschelon's witness stated that this document showed that, during the period January 2001 through April 2002, generally Eschelon has not seen improvement in Qwest's performance. The graphs show that there was no perceptible improvement, and as another Eschelon witness stated, Qwest is only now fixing performance measurement OP-5, which is something Eschelon raised quite sometime ago. Eschelon acknowledged that, as shown on Exhibit E-8, from November 2001 to the present, for OP-5 off-net orders the results were typically 30% satisfactory performance. Periodically the performance improves but never improves above 70%.

34. Eschelon's witness stated that from January 2001 until the present, the report card has given Eschelon a basis for discussion with Qwest, in terms of how its performance is improving or is not improving. She also pointed out that they have used concrete standards rather than parity, and that if its a miss under the Eschelon report card, its generally a miss under the PIDs. Eschelon's witness further discussed how the results translate into their end-user experience, and assist in

determining the nature of the problem and its resolution. She discussed the E-2 measure (timeliness of coordinating cutovers) stating that with Qwest's help they had determined that the five minute experience was a reasonable measure, but that the 60 minutes in the PID was unreasonable as far as Eschelon is concerned. She explained that this is because with Qwest, if the customer has an average of 16 lines, this translates to 3.75 minutes per line. Whereas if, as with Eschelon customers, you have an average of 4.5 lines, this translates into over 13 minutes per line. Therefore, she stated that this is one illustration of where the PIDs really do not reflect Eschelon's real experience.

35. Eschelon then moved to Exhibit E-6, which includes definitions of each of its measurements. The witness pointed out that they do mirror the PID for the most part, including use of exact wording of the PIDs. She then moved to Exhibit E-7, the graphical representation of the report card summary of how many "satisfies", as a percent of the total, Qwest did get in each of those months. Moving to Exhibit E-8, she stated that this exhibit is basically the additional information behind the measurements and shows the performance for each of the measurements for the period

36. Eschelon strongly believes that these performance measurement issues must be resolved before Qwest is given 271 authority in Arizona.

37. **UNE-P Provisioning, Documentation and Ordering Problems** Eschelon stated that it moved to UNE-Star in 2000 after it found that the problems with Qwest's UNE-P product were too numerous to support a product offering using UNE-P. At approximately the same time, McLeodUSA also moved to the UNE-Star product.[4] Thus, for much of the time according to Eschelon, Qwest does not have commercial performance experience in providing UNE-P to these two reportedly largest CLEC wholesale Qwest customers. In the past few months, Eschelon started to place UNE-P orders with Qwest again, however, according to Eschelon, Qwest's UNE-P conversions and migrations are still resulting in the same types of customer-affecting problems that it experienced in 2000. As an example, in May 2002, more than 17% of Eschelon's UNE-P orders (excluding UNE-E/UNE-Star) provisioned by Qwest had Qwest-related trouble reports within 30 days of order completion. The majority of these troubles were Qwest order writer errors or errors on line side translations. According to Eschelon, as a result of these errors, end-user customers are experiencing outages and feature problems. Eschelon stated that the Commission needs to ensure that CLECs are not assessed charges as a result of service order errors. In response to Qwest's statement at the Workshop that it will not bill any separate or additional charge for the second and any subsequent service orders to correct the problem, Eschelon stated that this commitment should be documented and a process put in place to ensure that such charges are not billed.

38. Eschelon's witness stated that UNE-Star is an attempt to put Centrex functionality on a 1FB, and it doesn't work. She stated that in November of 2000 Eschelon was moved to this product because they ran into all the troubles with UNE-P. They were promised that the difficulties would be resolved by moving to UNE-Star; however, it didn't work. In April of 2002 they began reordering UNE-P; however, during the entire time period between November 2000 and April 2002 Eschelon believes it has been entitled, under its contract, to UNE-P rates, but was paying the higher rates. She described the Colorado reconciliation of Eschelon's UNE-P bill and stated that a reconciliation of Eschelon's UNE-P Arizona bill was also made and included on Exhibit E-17. This

[4] "UNE-Star" is an informal name given to various forms of UNE-P combinations offered to CLECs. UNE-Star refers to services offered on a UNE-P basis that include business POTS-type, Centrex-type, and Centrex 21-type services.

Exhibit includes a detailed listing of areas which Eschelon feels were over-billed. The witness described a number of these specifics and reasons for a conclusion that this is inaccurate billing.

39. She further stated that reason that the 1FB is ordered with CCMS and features, is that you are trying to take Centrex-type functionality and put it on a POTS 1FB line, so that it looks like resale. She added that it does not work quite as well as resale because you are attempting to do something that that line was not originally designed to do, which is to carry Centrex functionality. Therefore she stated that Qwest should report UNE-P separately from UNE-POTS, as it would report resale separately from UNE-POTS. A Qwest witness stated that for the record, Eschelon is the only customer which Qwest has which is currently ordering 1FB with CCMS. She stated that they had entered into an agreement to purchase UNE-Star with an understanding of what that product would be. As discussed earlier, because of the issues with that product, Eschelon moved to 1FB with CCMS. Eschelon had so many issues with the latter product that it is now moving to a complete migration to UNE-P. This has required hiring 17 full time resources and the difficulties of training them.

40. Eschelon claims that these problems are increased due to inadequate support on Qwest's end for resolving issues. According to Eschelon, the Qwest service managers are so busy that they cannot reasonably handle all of a CLEC's issues. If one person goes on vacation, the problem becomes more severe. Eschelon gave an example where a Qwest senior service manager for Eschelon went on vacation while a pressing issue involving customer outages was pending. Qwest did not communicate to Eschelon how the issue would be handled in the person's absence. When Eschelon asked the Qwest service manager whether she would handle the issue in her supervisor's absence, she initially said no. Only when Eschelon pressed the issue did she agree to research the issue; however she never did commit to a timeframe.

41. Eschelon also stated that they are finding a significant number of orders that fall out from manual handling because the disconnect order has worked prior to the new order, and feature issues are a problem.

42. In addition to submitting new UNE-P orders, Eschelon is currently in the process of migrating some of its customer lines on UNE-Star to UNE-P. Qwest is handling this migration on a project basis, which means that the orders are hand-held in the sense that they are being monitored and handled separately. Despite the project handling of these orders, the migration orders have also resulted in Qwest-caused customer affecting issues. Eschelon expends substantial resources escalating and resolving these issues. These customer affecting issues harm Eschelon's business and ability to compete with Qwest.

43. Eschelon's witness at the Workshop reiterated that Qwest UNE-P conversions and migrations are still resulting in customer-affecting problems. For example, in May of 2002 more than 17% of Eschelon's UNE-P orders provisioned had trouble reports in the first 30 days. The majority of these problems were Qwest order writer errors or errors on the line side translation. As a point of clarification, the Witness stated that the 17% does include some order writer errors made by Qwest, but it does not include certain errors associated with "no trouble found". These orders represent conversions of new Eschelon customers to the UNE-P platform, which Eschelon was ordering from Qwest. The witness pointed out that these do not include migration of any existing customers from UNE-E to UNE-P.

44. Eschelon also states that because ordering of UNE-P is unnecessarily difficult, Eschelon's business is harmed by the increased expense of doing business and by the increased likelihood of errors. In September of 2000, Eschelon described the problems associated with Qwest's process that forces CLECs to individually address every USOC and its status on each UNE-P-POTS order. Qwest has not resolved this issue and still continues to require CLECs to address every USOC and its status on each UNE-P order. While Qwest calls the process used by Eschelon "Conversion as Specified", it is actually "Migrate as is with Changes." In a recent change request in the Change Management Process, both Z-Tel and WorldCom asked Qwest to add the capability to convert customers as specified without having to list and map changes, adds or removes. Z-Tel pointed out that SBC, Verizon and BellSouth all provide this pure migrate as specified capability for UNE-P customers. Eschelon believes that it has to do double order entry as compared to a single order entry for Qwest's retail customers.

45. Eschelon dismissed Qwest's claims that it initially implemented this capability in 1997 and then withdrew it because of "significant issues" created for CLECs. Eschelon stated that if that happened, Qwest should have addressed the problems by ensuring that true Conversion as Specified ordering did not create "significant issues", as other RBOCs have done, instead of shifting the burden to CLECs to place orders in an onerous manner. Eschelon stated that Qwest should have to demonstrate successful completion of the change (in a manner that, as in other RBOC territories, does not create "significant issues" for CLECs) before obtaining 271 approval.

46. At the Workshop, Eschelon reiterated how time consuming and cumbersome the UNE-P ordering process was. At the Workshop, Eschelon relied upon its Exhibit E-21 (which was Exhibit 4-1 in October 2000), which indicated substantial problems with UNE-P at that time. Eschelon stated that the issue was raised in September 2000 with different wording, and currently the request is that Qwest add the capability to convert end-user customers "as specified" without having to list and map changes of "adds" or "removes". The current process requires an extra step that is being added for the CLEC, which Eschelon believes is obviously not very productive and is cumbersome.

47. Eschelon's witness then went back to Exhibit E-1, which covered customer affecting UNE-P problems, which Eschelon had raised in September of 2000, and which it is still experiencing. Eschelon's witness stated that a second issue in this regard is feature availability, specifically Qwest's denial of remote access forwarding for UNE-P. Eschelon believes it is being denied this feature by Qwest. This is a switch feature customers want, which Eschelon has been requesting since 2000, but which it still does not have despite assurances by Qwest that it would be available. The fact that it is a switch feature affects the volume of orders which Eschelon can migrate to UNE-P. She stated that this is a significant issue for Eschelon.

48. Availability and documentation of the functions of UNE-P are also issues with Qwest's UNE-P product. At the Workshop, Eschelon's witness discussed AIN features and the difficulty of determining which features are available and which are not available with UNE-P. One of the difficulties, according to Eschelon, is the lack of a definition by Qwest as to which features are not available because they are categorized as AIN features. Eschelon's witness stated that you must plan a product before you can offer it to your customers, but if you don't have a clear defined list of what is available, it makes it difficult to determine whether to migrate customers to a product that will save your company money, or to put a new customer on this product at rates to which you are entitled. Therefore, this inability to plan a product is a major issue for them.

49. Qwest has added some documentation on its web-site on feature availability generally but there are still gaps and inconsistencies according to Eschelon. Documented feature information is critical to developing and marketing a product according to Eschelon. Qwest now provides a list of "UNE-P Features Not Available," but that list does not identify which features are unavailable because Qwest claims they are AIN features. The Qwest "UNE-P Features Not Available" List states that it includes Voice Messaging and AIN services that are not available with UNE-P. However, the only feature on Qwest's list that is specifically identified as 'AIN" is "No Solicitation". For the other features, the basis of unavailability is not provided. It is important for Qwest to identify the basis for the other features being unavailable. Eschelon's witness commented that on Qwest's website there is no link between the "what's available" with UNE-P POTS to the document of "what's not available". She stated that in order to obtain features "not available" one must go to the general section, which does not address features "not available". Eschelon's witness also commented that the title of the document "Features, Products and Services Unavailable with UNE-P Products" is inaccurate, in that USOCs not on that list should be available with UNE-P; however, this is not the case. She commented that Eschelon would prefer that resale features that are available or not available for UNE-P should all be listed, rather than learning about this in response to individual requests. An Eschelon witness added that, particularly as it relates to the UNE-P Centrex Plus and Centron, the product catalog needed updating and some clarification.

50. There are also gaps and inconsistencies with respect to the feature information Qwest has posted on its web-site. For example, with respect to the USOCs, Qwest instructs CLEC UNE-P providers to use IMA GUI to verify it a feature is available in each market. Without the correct USOC, however, the CLEC cannot do so. Eschelon asked Qwest on several occasions for a list of the available USOCs by market. Qwest provided a list to Eschelon on May 17, 2002. When Eschelon compares that list to Qwest's "UNE-P Features Not Available" List on Qwest's website, the two Qwest documents do not reflect the same information. The effort to track down and verify information USOC by USOC is resource intensive and it adversely affects the CLEC's ability to efficiently design and offer a full range of products. If Qwest does not review its own USOCs, these issues will continue to arise. Qwest needs to provide clear, consistent, complete documentation.

51. Part of Eschelon's value added to the customer is to be able to effectively sell to them the type of service that they require to meet their business needs, which includes the use of features. With regard to the loss of features such as "call-forward doesn't answer/busy line" or no call-forward number or "call forward doesn't answer on another line" not working, a major part of the problem is the need to escalate problems when they occur, and the time it takes to resolve the escalated issue, which can lead to a business customer having a feature problem for more than 31 hours. Eschelon stated that it was very difficult to work through these issues and explain to its customers that the problem was created by Qwest, not by Eschelon.

52. Eschelon also reiterated at the Workshop its concerns about inadequate support on Qwest's side for resolving issues. The witness pointed out that inadequate support and turnover of personnel without adequate transition of information or duties remains a problem. Eschelon stated that this was raised in September 2000 and continues to be an issue. Eschelon believes there are systemic issues with Qwest, relative to its resources and service management. Their principal concern is that when there is a transition in a position, very little is done to bring the new person up to speed, which then requires that Eschelon basically educate that person about Eschelon's business and what Eschelon's issues are. Although Eschelon has seen some improvement, the issue is still

there. Eschelon is also concerned that the Account Manager role has been changed to strictly a sales role.

53. **Unannounced CLEC Affecting System Changes** Eschelon described a situation that occurred after the 10.0 Release on June 17, 2002, when CLECs could not submit electronically CLEC-to-CLEC orders following the documented process, or at all when the circuit identification numbers were not populated in IMA. Since 30% of Eschelon's orders come from other CLECs, Eschelon stated that this was a major issue to it. Although the change was CLEC-affecting, Qwest did not inform CLECs in advance of any change in the Release that would have caused this impact on CLECs. Eschelon claims that Qwest failed to follow its processes in several respects:

a. Although the change was CLEC-affecting, Qwest did not inform CLECs in advance of any change in the Release that would have had this impact on CLECs.

b. Qwest assigned the incorrect ticket severity level to this notice (giving it only a 3), which underestimates the severity of the problem and also affects the timing of status updates.

c. Although both Eschelon and Allegiance submitted tickets regarding this issue on June 21, 2002, Qwest waited until July 2, 2002 to issue an event notification.

d. Qwest did not communicate with Eschelon the status of this issue for several days after Eschelon submitted its tickets.

e. Qwest identified a workaround in the event notification, when it was finally sent, without first attempting to reach consensus with CLECs on the workaround.

54. Qwest's documented process states that an Event Notification will be sent to CLECs "for tickets that relate to more than one CLEC or for reported troubles that Qwest believes will impact more than one CLEC." Yet while Qwest knew that this problem impacted more than one CLEC as early as June 25th, it did not sent the Notice until July 1st or July 2nd. When Qwest finally sent the Event Notification, Qwest assigned a severity level of 3 to the problem. Qwest claims that the CLEC-to-CLEC issue was not significant because "CLEC-too-CLEC LSRs of this type account for approximately 0.23% of all LSRs." The documented CMP production support process does not contain any such numerical test, and with good reason. If a carrier is finding that every one of a particular type of order is being prevented, this is a significant issue to the carrier. A severity level of 2 is defined as "serious loss of functionality" and "limited use of product or component." CLECs could not order the CLEC-to-CLEC migration product. Qwest should have assigned a severity level of at least 2. Although this particular change preventing CLEC-to-CLEC orders has been corrected, these process non-compliance issues remain a concern. This is particularly true because, in its filing, Qwest denies the problem rather than committing to correcting it. Eschelon has not received any information that would indicate such problems will be avoided in the future. Qwest has no documented intervals or other procedures for dealing with issues of non-compliance with established CMP processes.

55. Eschelon cited another example which occurred in August 2002, which was that IMA suddenly began to require a directory listings form in error. Qwest indicated that the problem would likely be resolved in the next release and that in the interim, Eschelon could use a work around for this which would be to fill out the directory listings form and check manual handling, asking the listing form not be worked. This is a time-consuming process and once again relying on manual handling increases the likelihood of error. Waiting for Release 11.0 to correct a change that should not have occurred without notice to CLECs is an unacceptable delay and inconsistent with production support intervals. This is also another example where Qwest did not comply with its documented CMP processes:

a. No notice of CLEC affecting work by Qwest

b. No severity level noticed

c. No event notification, even though more than 1 CLEC was affected

d. No status updates per production support intervals

e. No collaborative approach to workaround

56. Eschelon also raised a series of questions basically having to do with the adequacy of the training and orientation of Qwest service representatives, and with the effectiveness of the IMA releases. Generally they stated that they had little confidence that Qwest would handle IMA release 10.1 in any better fashion than it had handled pervious releases.

57. **<u>OSS-Lack of Flow Through</u>** After the July 30-31, 2002 Arizona 271 workshop, Qwest responded by providing to Eschelon a document that confirms that some of these orders do not flow through and that others are designed to flow through. Eschelon recounted several experiences where order types that were supposed to flow through did not and the resultant adverse impact on the customer. Eschelon noted that when a customer switches to a CLEC and encounters such problems, the customer will view the transition to a competitive carrier as an adverse experience. The damage to the CLEC goes beyond the one transaction and harms the CLEC's reputation and ability to compete. Eschelon raised the question as to whether Centrex to UNE-P orders flow-through.

58. Eschelon disagrees with Qwest's assertion that Centrex plus and Centron conversions to UNE-P POTS flow-through. Eschelon does not believe that these orders flow-through. The Eschelon witness referred to Exhibit E-9, page 6, of Eschelon's comments to the FCC. Eschelon noted that in its FCC comments, Eschelon had relied upon a Qwest representation that any telephone number coming from a 1FB with CCMS, Centrex 21, Centrex or Centron for conversion to UNE-P or resale POTS will not flow-through. Qwest clarified that Centrex Plus and Centron conversions do not flow-through to resale, but they do flow-through to UNE-POTS. Eschelon questioned Qwest's statements, replying that they understood that Centrex Plus and Centron would never flow-through. There was also a short discussion of an agreement between Eschelon and Qwest, by which Qwest was allowed to change the description of the Change Request, to omit Centrex Plus and Centron, and include only Centrex 21 and 1FB CCMS.

59. In June, 2002, Qwest told Eschelon that any telephone number coming from a 1FB with CCMS, Centrex 21, Centrex or Centron for conversion to UNE-P or Resale POTS will not flow

through. The orders fall out of IMA for manual handling. In addition, the orders do not flow through the switch. They fall out for manual handling of Qwest switch translations. While the "disconnect" portion of the order flows through, the "new translation" falls out, which places the customer out of service. Eschelon end-user customers have been out of service for several hours until translations are worked or Eschelon opens a ticket to have the translations worked.

60. <u>OSS-Cumbersome GUI</u> In September, 2000, Eschelon stated that it complained to Qwest that its GUI was very cumbersome to use. WCOM and Z-Tel have recently requested changes to Qwest's ordering process to make ordering less cumbersome for GUI and EDI users. At Qwest's request, Eschelon submitted eight Change Requests to the Qwest CMP relating to these changes. Some examples are as follows: First, when a CLEC needs to supplement an LSR, the CLEC can see in the appointment scheduler that the new date and time are available. The GUI does not allow the CLEC to complete the LSR with the new date and time, however, without an escalation ticket. Thus, the CLEC must call Qwest and manually open an escalation ticket to cancel the first ticket and obtain the new date and time. This is unnecessary and time-consuming manual work.

61. Another example relates to situations in which a CLEC submits an LSR to either disconnect or change features. Because Qwest requires CLECs to map all changes to the CSR, IMA forces a CLEC to correct data for the disconnected features that will not be used anyway. However, even if these and other changes are made, the GUI process will remain burdensome as long as it continues to rely on so many manual processes.

62. At the Workskhop, Eschelon stated that there are eight areas which it found were cumbersome, and for which it submitted a change request. Eschelon's witness described the difficulties encountered, and stated that it is basically an inherent process problem that causes Eschelon to go through an escalation which need not occur. Eschelon introduced another illustration concerning the GUI and changes made in release 10.0 related to sending an LSR, and either disconnecting or changing features. She described the difficulty, and gave an example related to the instance in which Qwest went to 10 digit dialing, at which time CSR's were not updated. Thus, frequently, telephone number flows or call-forward numbers contained only seven digits rather than 10. Therefore, if Eschelon is disconnecting the USOC or changing the call-forward number, IMA forces Eschelon to correct the data that it is disconnecting on the features.

63. <u>Maintenance & Repair – Authorization for and Accuracy of Closing Tickets</u> Eschelon stated that Qwest at times closes trouble tickets without calling Eschelon for authorization. Eschelon has had to re-open tickets because the trouble was not resolved. Eschelon also stated that Qwest closes tickets in some cases with the incorrect cause and disposition codes. This not only affects repair but may also affect billing. Eschelon has been raising this issue with Qwest for sometime and the problem still persists.

64. At the Workshop, Eschelon noted that closing tickets without authorization causes a great deal of difficulty, since Eschelon is then not able to status its customers as to what happened with the customer's individual ticket. Further, Eschelon's witness discussed Qwest's provision of information about the high number of "no trouble found" tickets. Eschelon's witness stated that they found that many of those were not "no trouble founds", rather, they were erroneously reported from data provided in CEMR.

65. **Billing Accuracy** Eschelon stated that its bills are not accurate. Although Eschelon is unable to dispute all inaccurate charges due to insufficient information for doing so, Eschelon does dispute some of the charges. Such bill disputes often go unresolved for many months according to Eschelon. Eschelon stated that one hundred percent of the bills for UNE-Eschelon/UNE-Star are inaccurate. Unlike UNE-P, UNE-Star is ordered, provisioned, and billed as resale. Therefore, an interim credit/true-up process is used instead of accurate billing. In March 2002 alone, Qwest eventually agreed that its credit calculation was almost $50,000 too low. Therefore, even the interim process results in inaccurate charges.

66. As of May of 2002, UNE-Star represented approximately 60% of Eschelon's total monthly invoice amount. This represented a substantial amount of inaccurate billing that is not reflected in the performance results reported by Qwest, in addition to the inaccurate billing to McLeodUSA. Despite Qwest's documentation of its commitment in 2000-2001 to mechanize UNE-Star billing and provide accurate bills, Qwest is now claiming that Eschelon orally agreed to amend the agreement so that it would not require accurate billing. This is not the case. Eschelon states that Qwest should be required to deliver on its Year 2000 commitment to deliver accurate UNE-Star bills before 271 approval is granted.

67. At the Workshop, the Eschelon witness stated that Eschelon has more than $2.2 million in outstanding billing disputes with Qwest across all Qwest states, thus questions Qwest's billing accuracy rate which it quoted at 99 to 100%. The witness stated that it was her understanding that the PID takes into account adjustments applied to billing. She stated that disputes take time to resolve, as much as a year. However Qwest would never go back and adjust billing accuracy rates following the resolution of disputes, leading, in Eschelon's mind, to a higher billing accuracy rate than was appropriate.

68. She further stated that Eschelon believes that the UNE-Star or UNE-E product billing rates are completely wrong, yet these products represent 60% of Eschelon's total monthly invoice amount. She pointed out that the UNE-Star, UNE-E or UNE-M products are billed as resale, and that there is a manual adjustment incorporated to determine what we should be billed.

69. Eschelon also discussed the mechanized solution agreed to by Qwest; and the delay in its implementation and the difficulties caused thereby. In an e-mail dated January 12, 2001 Qwest stated that the billing for UNE-Star was a short term plan. She stated that Qwest had promised Eschelon in November 2000 that this would be a mechanized process in which Eschelon would get accurate UNE-E bills. Eschelon contended that Qwest had dragged its feet and had only reactivated or initially activated a mechanization process in the context of the 271 proceeding. Eschelon also made the point that if Qwest needs to do systems work to accomplish this mechanized billing it should disclose this need through the CMP. However, neither Eschelon nor any other CLEC should give up issues that it is prioritizing through CMP so that Qwest could live up to a commitment it made in the year 2000. Eschelon, in addition to the basic billing issue, raised the question as to how the true-up of UNE-E credits is reflected in the billing accuracy data in the PID.

70. As a last item, Eschelon's witness raised the issue of the UNE-P bill invoice summary. He pointed out that UNE-P invoices are fairly new to Eschelon and they're just going through the process of trying to reconcile the bills. Therefore the review, he pointed out, is Eschelon's initial review and initial thoughts concerning where they think there are inaccuracies. He pointed out that there are three categories of problems, or issues, that they have found in these bills.

71. The first type of problem is that in which they have received bills in bill-mate files, without sufficient details to validate the bills. He provided examples of this. These included Zone Two rates billed in Zone One, missing information about where loops are located, CLLI information and Central Office information. He further stated that there are instances in which Qwest has combined the local switching rate with the transport rate into a single price, or a single rate item, on the bill-mate file, which makes it impossible for Eschelon to validate whether Qwest is billing correctly for usage. He also stated that there were problems with bill presentation.

72. He said that a second problem type is that of receiving bills with inaccurate or inappropriate charges on the bills. He illustrated this by the example of being billed for class features and custom calling features separately, which are part of the unbundled port. He stated that since Eschelon is paying an unbundled port rate as part of the UNE-P product it should not be billed separately for those custom calling and class features. Another illustration is fractional charges relative to service orders. He also cited per-call usage charges that are in error.

73. A third problem that it is a time consuming process to go through and validate these bills. He further stated that he does not believe that the PID measurement has the flexibility or the ability to take into account the billing reconciliation process.

74. **Switched Access** Over a period of time, Eschelon complained to Qwest that Qwest was not providing complete and accurate records from which Eschelon could bill interexchange carriers access charges for UNE-E/UNE-Star and On-switch customers. According to Eschelon, CLECs need an accurate report of switched access minutes of use ("MOU"), so that they may properly bill interexchange carriers for access. Eschelon has expended substantial resources on outside audits to examine the problem, in addition to the internal resources devoted to it. While Eschelon settled with respect to the access charge issue through February, 2002, Eschelon remained concerned about the usage it was receiving from Qwest and therefore conducted an access audit. In searching the daily usage files ("DUF") for these test calls, Eschelon has found that calls are still missing from the DUF. The audit results showed that in general, for direct dialed originating and terminating and 800 origination calls, Eschelon did not receive approximately 16% of the test calls from Qwest. The missing call percentages rise for specialty calls, such as directory assistance access calls, operator handled and 1010XXX calls so that the total percentage is approximately 18%.

75. At the Workshop Eschelon's witness stated that a part of the attribute of a combined platform product such as UNE-P or UNE-E was to have the ability to bill switched access minutes of use to interexchange carriers. She further stated that Eschelon has relied upon Qwest to provide those switched access minute of use records. Initially they found that the minutes of use that they were receiving for these lines were inordinately low. At one point the minutes of use jumped drastically. Eschelon's stated its concern to be the question of whether or not the minutes of use would suddenly drop down as mysteriously as they went up.

76. **Cutovers** Over time Eschelon has reported to Qwest: technical loop problems, missed scheduled times, untimely lift and lays, cuts that appeared successful on day of cut but trouble occurred shortly afterward, and other cutover problems. The reduction in incidence of these problems has coincided with bi-weekly calls held between Eschelon and Qwest in which Eschelon proactively reviews the hot cuts and Qwest's processes. However, Qwest has failed to participate in recent scheduled calls, without even calling in advance to indicate that Qwest would not join the

calls. Recently, Eschelon has experienced some instances in which Qwest did not notify Eschelon of no dial tone issues before the time of cut.

77. Eschelon summarized its cutover problems in three groups: (1) compliance with the 48-hour dial tone test policy; (2) timely notice to the CLEC of the results of the dial tone test; and (3) proper interpretation and application of the 30-minute policy. With regard to (1), Qwest is supposed to verify the CLEC's Dial Tone at the CLEC's CFA 48 hours prior to the due date. Eschelon claims that Qwest in practice is actually performing the dial tone check earlier creating problems for the CLECs. With regard to (2), Eschelon claims that after Qwest performs the test, it is not notifying the CLEC immediately of the dial tone test result when there is no dialtone. With regard to (3), Qwest is using the SGAT language to excuse its performance rather than applying it in situations in which the CLEC is not ready, the situation for which the language was intended.

78. At the Workshop, Eschelon reiterated that the timeliness of cutovers remained unsatisfactory. Eschelon stated that it does see that Qwest has basically improved on a number of issues; however Eschelon is concerned that as Qwest gets closer to 271 approval Eschelon may not continue to get the improved resources or level of attention that they believe they need. The witness cited reassignments of individuals with whom they had bi-weekly conference calls. Now there are new people assigned to those conference calls. The witness discussed the range of issues covered in the conference calls, but stated that Eschelon still doesn't know what the level of commitment will be on a going forward basis, relative to these cutovers.

B. McLeod's Position

79. McLeod's witness cited some experiences from the year 2000, at which time McLeod was trying to get UNE-P with UNE-P pricing that you get with that product. He stated that they were told by US West, and then subsequently Qwest, that to get a UNE-P product they would have to do a whole assortment of conversions, establish a series of processes, and possibly incur temporary disconnection of some customers. These problems led to negotiations with Qwest through which they developed the UNE-Star product as an alternative to UNE-P. This was negotiated in the fourth amendment of the interconnection agreement signed in October of 2000. This was negotiated in conjunction with a number of other agreements including one in which McLeod agreed to remain neutral in all 271 proceedings as long as Qwest complied with its agreements and applicable law. Another agreement was to escalate disputes with Qwest internally up the chain of command, before bringing those disputes to any regulatory or judicial forum. Since Qwest is not meeting those agreements, McLeod has now decided to discuss the issues in this Workshop.

80. McLeod's witness stated that Qwest has provisioned and built the UNE-M/UNE-Star product as basic resale, either Centrex or 1FB. Qwest has, from the outset, billed the product at the resale discount rate and conducted a true-up process with McLeod each month. McLeod had always viewed this true-up process as an interim billing process and expected that eventually the UNE-M product would be billed accurately, as required under the interconnection agreement. However, the witness stated that for five months earlier this year Qwest had not paid true-up amounts. Qwest did make these payments two days before the beginning of this workshop.

81. McLeod's witness stated that the problem fundamentally is that, almost two years ago they negotiated an agreement to receive a platform product called UNE-Star, because of their

inability to get the UNE-P product without having to develop a host of new processes, some of which could put their customers at risk of going out of service. He stated that they were here today because they could still not obtain accurate bills without developing a whole new set of processes, as stated by Qwest. He recommended that the ACC defer Qwest's 271 application until at least two conditions had been met: first Qwest has demonstrated that it can effectively provision and bill a UNE-Platform product with all the necessary features, and second that Qwest has demonstrated that it can be relied upon to live up to its agreements without the need for the regulatory leverage provided by Section 271.

C. Qwest's Position

82. **Commercial Performance; Manual Handling and Service Order Accuracy** Qwest initiated its response to Eschelon's presentation by stating that first it would discuss performance measure results, then move to Eschelon-specific issues, and finally plan to discuss performance improvements which Qwest has made. Qwest's witness stated that the measurement that would apply to service quality for UNE-P POTS would be the OP-5; the "new service installation quality" measurement. This measurement was established quite some time ago and was audited and tested, and found to be accurate and reliable in terms of reflecting what it is intended to reflect. Qwest stated that the UNE-P POTS results for Eschelon in Arizona were 85.5% in April, 92.41% in May and 92.94% in June, in comparison to corresponding retail values which were between 85 and 85%. He pointed out that 15% is not unusual as a new service installation quality result. Further, for all CLECs in Arizona the results for the same measurement are 92.54 and 92.5% compared to the same 85 to 86% on the retail side in the last two or three months.

83. Another Qwest witness then discussed how Qwest is working with Eschelon to address the issue, as well as the overall work relative to Long-Term PID Administration concerning the content of measures OP-5 and PO-20. She also pointed out that Qwest recently put together a team to actually look specifically at OP-5. He stated that Qwest will use Long-Term PID Administration to figure out the most appropriate way to report those data. It could be an augment to OP-5, or an augment to PO-20. In either case Qwest is planning to voluntarily report the data and will do so until they make a final determination through Long-Term PID Administration whether it should be reported in OP-5 or PO-20.

84. Qwest's witness commented that, for PO-20, the products reported are resale POTS, UNE-P POTS and Unbundled Loops. Resale and UNE-P are reported together, and unbundled loops are reported separately. Initially, as described in the PID, this is based on a sampling of orders. The wholesale service delivery organization extracts a statistical sample of all orders that would have qualified for reporting under the PIDs. Sample size will assure that a 95% confidence level is achieved. The QA team takes those orders, pulls the LSRs for them, and does a comparison between specified fields on the service order and specified fields on the LSR. If every one of the fields is correct, then it is considered an accurate order. If any one of the fields is incorrect, then the entire order is considered incorrect, and it would not count towards Qwest's percentage of accurate orders. Qwest stated that within the first phase the fields do not include USOCs. In response to Eschelon's position that USOCs define features, therefore this measure is flawed, Qwest indicated that USOCs would be considered in the third phase under Long-Term PID Administration.

85. Qwest's witness pointed out that if a feature has been completely left off an order (not misrepresented, but completely omitted) at the time either a retail or a wholesale customer is

reporting trouble, then that feature is not not-working, rather, it doesn't exist on the customers record. Both retail and wholesale customers are turned back to the marketing department in this event, to get an order issued to actually go in and provision the service. He pointed out that that scenario does not get captured currently in Qwest's OP-5 measure. However, the corrective action for this issue, such as a missing feature, is to issue an order, not a trouble ticket, and OP-5 never was defined to capture that. Qwest's witness stated that this issue was only raised recently, and then, only in the ROC test. However, he stated that the results of both the ROC and Arizona tests showed that overall, the effect of these manual order writing errors are very small, relative to the total.

86. Qwest's witness responded to Eschelon's concern regarding delay of the issues to L-T PID Administration by saying that the ROC asked for states to comment on their interest in Long-Term PID Administration by September 1, 2002. Thereafter items will be processed through the Long-Term PID Administration process. In the meantime, Qwest stated that it is already providing some additional information in PO-20. It is providing additional information where it looked at the calls that are coming to the centers where the solution is not a trouble ticket, but rather, an order. Qwest's witness stated that that information is what is initially providing some indication about the USOC type of issue. Qwest, through Long-Term PID Administration, will examine whether or not it makes sense to apply PO-20 to this issue or to develop another PID. Qwest's witness stated that the tests did not find issues with respect to USOCs that were significant enough to create a separate measurement. Qwest further stated that PO-20 does look at manual service order accuracy, including the accuracy of fields that affect whether or not Qwest is either meeting the commitment or capturing the commitment correctly, and whether Qwest is meeting the interval or providing a non-discriminatory interval, or measuring it correctly. Further, the witness stated that the audited test information says that Qwest is doing okay. It is offering this additional PID (PO-20), and additional information and further participation in Long-Term PID Administration to demonstrate that this is so.

87. Qwest stated that the same process used for CLECs is also used for Qwest retail customers. The principal difference is that a retail customer, when placing an order, is picking a feature rather than picking a USOC code. Therefore there are generally fewer data entry errors, since there is not a double entry of the same data.

88. Qwest questioned whether the USOC issue had been addressed in terms of information that Qwest is providing from the calls to the center. Qwest's witness stated that, if the USOC is missing and Eschelon's service representative calls the center and Qwest is capturing the data and reporting, the information will become a part of PO-20 or a version of OP-5, depending on how it is handled in Long-Term PID Administration. Qwest's witness continued that either way, Qwest is reporting the data now, and will continue to do so. Qwest acknowledged that the data are not now being captured by the PO-20 PID.

89. Qwest stated that it does not have official separate installation or provisioning intervals associated with adding a missed feature or a missed line. Qwest's witness further stated that he would expect that a normal interval would be placed on the order and that it would follow the escalation procedure. Qwest's witness stated that the normal interval he was referencing was a service installation interval. In response to Eschelon's questions, Qwest stated that it did not use the repair interval rather than the service order interval, even though the CLEC's end-user customer was out of service and even though the installation interval is much longer than the shorter repair interval.

90. In response to questions by Eschelon about the validity and accuracy of the installation commitments met PID OP-3, Qwest stated that they knew that PID OP-3, which is Commitments Met, would not capture errors. It was not intended to be used in the manner suggested by Eschelon which was that if an order is completed on time and was subsequently found to have an error in it, that it should not be counted as a commitment met, but rather reclassified as a missed commitment. Separately, as an adjunct to PO-5 or OP-20, Qwest is addressing errors, as described earlier. It has been capturing these data since June 28, 2002.

91. Qwest responded that its performance results include orders which were processed manually or mechanically. Whether or not a manual error is counted in OP-5, the new service installation quality measurement, depends upon the type of problem. If it generates a trouble report in the normal course of doing business, then it is captured as the PID states, by OP-5.

92. Qwest stated that it acknowledged the existence of manual service order errors, but had not acknowledged that the level is beyond a level that's reasonable. He further stated that this was an area that wasn't captured by the PIDs, as has been discussed in this workshop. He pointed out that KPMG, in its report stated that this, among others, ought to be looked at, and Qwest agreed to this.

93. Qwest further pointed out that, with the issue of release IMA 10.1 some of the problems being debated here will be resolved. If the order required the service delivery release coordinator to write two orders, release 10.1 will retrieve the PON to issue the FOC. With Release 10.1, both service order numbers with the due date, which has been entered in the SOP, will appear. If a typographical error occurs on one with respect to the PON, that would be the trigger for the SDC to go back into the service order processor and correct the error.

94. At the Workshop, Qwest entered specific performance results for the month of June into the record. The June results were entered as Exhibit Qwest-1. Qwest's witness stated that he would address issues related to performance measurements, focusing on Eschelon's report card and highlighting differences (particularly in two areas) between the PIDs developed by the Arizona collaborative, and against which Qwest has reported results. He stated that all who have looked at the measurements which Qwest is using have concluded that they are reliable and accurate. He further stated that for future purposes there are provisions in place that will continue to ensure that, both through Performance Assurance Plans and other means, there are opportunities for data reconciliation and auditing, as well as for penalties that relate both to missed performance and to data results errors.

95. He stated that the Eschelon report card contains nine measurements (see Exhibit E-5). He pointed out that Eschelon formulas appear similar to Qwest's PID measurements. Differences occur with respect to information which should be included or excluded, i.e. defining the starting point and ending point of the measurement. He pointed out that Qwest's PIDs are focused on a specific set of rules that were developed and refined during the test, and the audits relating to such things as application and completion dates and what those dates mean, since you can get different results if there are different definitions of these items.

96. The Qwest witness also indicated that one of the common reasons for differences between CLECs reported results and those of Qwest, was the month in which the activity or transaction was reported. Other differences pointed out by Qwest's Witness, included exclusions

specified by the PIDs which are not specified for Eschelon's measurements. Each of these could create numerous points for difference depending on their interpretation. He pointed out that the official PIDs have been audited and demonstrate that what Qwest has done is appropriate to each individual PID, and that it complies with the intent of what each PID is measuring. Thus, he stated that things reported differently by a CLEC from reports by Qwest did not necessarily mean that there was an error by either party, rather that there are inherent and natural differences between CLEC systems and the data fields they capture, and Qwest's systems and data fields they capture. Qwest's witness also pointed out that the Liberty audit stated that the CLEC data were not as reliable as Qwest's, since Qwest has been extensively tested and audited, while the CLEC's data have not.

97. Qwest's witness expressed concern for Eschelon's benchmarks since, for satisfying the 271 checklist, one needs to focus on parity with retail, or a specified analog. Where there is not parity or such an analog, a benchmark has been specified. He pointed out that Eschelon standards are not set on that basis. Qwest's witness then proceeded to discuss some of Eschelon's measures. He started with E-2, timeliness of coordinated cutover. He pointed out that Eschelon was measuring lift to lay time, which means the period of time a customer is out of service. He referred to Qwest's measurement, OP-7, which measures the interval from lift to lay, including testing to ensure that its working. He stated that, as shown on Exhibit Qwest-1, page 57, average results show that Qwest is always less than four minutes for the volumes indicated. He referred to Eschelon's statement that a one hour timeframe was unreasonable, and stated that this apparently related to Qwest's measure OP-13, which does provide a one hour leeway, but which does not mean that the customer is out of service for an hour.

98. He then turned to new service installation quality, Qwest measurement OP-5 or Eschelon measurement E-3. There was some discussion concerning the definition of start time and complete time. He further pointed out that OP-13 includes the concept of notification, and measuring Qwest's performance with respect to notifying the CLEC that it is complete. He stated that Qwest needs to have received the verbal CLEC approval before starting the cut. Further, he stated that Qwest needs to complete the physical work and appropriate tests (OP-7) and needs to complete the Qwest portion of any associated Local Number Portability (LNP) orders, and finally call Qwest with the completion information, and do this all within one hour of the agreed upon window.

99. Qwest's witness moved to Eschelon measure E-3, and stated that it is not like Qwest's measure OP-5 since, although it includes some of the same elements, it has significant differences. He pointed out that OP-5 measures new service installation quality against a standard of parity. He stated that part of the problem is that Eschelon was folding in the measure of ordering accuracy with the measure of installation provision and quality. He referred to Exhibit Qwest-1 relative to UNE-P POTS stating that the results satisfied parity in every month but two of the last twelve months. He also referenced the issue of "No Trouble Found" and mentioned that there was not a trouble ticket for real trouble within 30 days in the period. He then turned to the issue of manually handled orders, and stated that the level of errors is reasonable based on Liberty's data reconciliation, which looked at 10,000 orders and trouble tickets. He mentioned that previously there had not been a PID that captured errors on manually processed orders. He further stated that Qwest is developing additional information for which there has not been assigned a PID designator yet, and is continuing a process that will completely address the issue. He asserted that the Performance Assurance Plan will ensure that they complete this.

100. Qwest's witness then stated that, rather than go point by point with respect to each measurement, he suggested that we focus on UNE-P POTS and look at the far right column on each page of data. He stated that if the number shown in that column is negative then parity is considered to be met. He pointed out that if its zero or positive, parity has not been met. He then turned to pages referencing Centrex 21, analog loops, OP-4 (installation intervals) all of which showed parity consistently. He stated that Qwest follows the FCC standard, that if you meet the established standard that was collaboratively developed, no further inquiry is needed, and you consider that you have passed the test. If there is a statistically significant difference where the parity score is zero or above, then the FCC looks beyond the data to find out why. They inquire as to whether or not this is an isolated incident, whether or not it is competitively meaningful, and whether or not the statistical tool is appropriate. Qwest's witness stated that one could review any one of the measures on the report and look at either Eschelon specific or the CLEC aggregate data and find a similar story for Arizona or for regional results; that Qwest is satisfying 271 requirements.

101. He referenced UNE-Star and how it is reported. He stated that Qwest is reporting Eschelon's UNE-E and UNE-Star lines as UNE-P, but that somehow Qwest had failed to provide requisite notice of starting to do that. He stated that, before Qwest had a UNE-P Centrex or a UNE-P Centrex 21 category, those items of UNE-Star, or UNE-E were reported in resale. However; as soon as they had the PID category, they brought it to the attention of the parties in both the ROC and Arizona TAGs (in September and October 2001) and received approval from those TAGs to add the UNE-P Centrex category, at which time any UNE-Star item that would have fit that classification would have started to be reported. UNE-P Centrex 21 was added as a PID category in March, 2002. Thus, he stated that any items labeled as UNE-E, UNE-M, UNE-Star would be PID compliant since either October of last year or March of this year when the related PIDs were introduced.

102. Finally, Qwest believes that its PIDs do appropriately capture troubles that are reported through Qwest's documented process when those processes allow action other than opening a trouble ticket with the repair desk. Qwest stated that the allowable action other than opening a trouble ticket with the repair desk involves situations that must be resolved through the issuance of a service order. In these circumstances, the ISC is contacted, a determination is made that either Qwest incorrectly issued the original service order or the CLEC incorrectly issued the LSR (e.g., omitting a desired feature) and the problem is addressed through the creation of another order. Where Qwest's processing of the original request is the cause, the call center ticket is flagged as an LSR/SO mismatch and the results are reflected in the supplemental reporting (Order Accuracy via Call Center) Qwest undertook beginning with July 2002 results. Also, for LNP-related disconnects, OP-17 and MR-11 capture troubles reported both through the ISC and through the repair centers, for the performance aspects those PIDs are supposed to measure. Therefore according to Qwest, both provisioning related and order related types of troubles reported to Qwest in accordance with current published processes are captured and reported in Qwest's monthly performance results.

103. Lastly, Qwest discussed the monthly meetings at the executive level, and the day by day front line work done by both Qwest and Eschelon. She pointed out that this work has been going on for approximately a year, including root-cause analyses on a jointly agreed upon basis each month. Recently, root cause analysis was terminated, since Eschelon felt that it was ineffective, although Qwest felt that it was very effective.

104. **Billing Accuracy** Qwest disputes Eschelon's assertions that Qwest's bills are 100% inaccurate. At the Workshop the Qwest witness stated that it was his understanding that there was

an agreed upon arrangement for that, as specified by the parties. As stated earlier, this was billed as resale and it was understood that there would be errors and a true-up was arranged for at the end of each month. He stated that the current measurement, BI-3, measures billing accuracy and accounts for error adjustments. He further stated that a process by which the parties agreed to adjustments, in order to facilitate getting what the parties want, is not an error, it is an agreed upon process for handling billing arrangements. Therefore he said that is not captured by BI-3.

105. In its Late Filed Exhibit H, Qwest stated that the billing accuracy PID, BI-3, is designed to capture the effects of billing adjustments for error in the reporting month in which the adjustments occurred, regardless of when the original billing took place. Thus, it would be non-compliant with the current PIDs as accepted by the parties to adjust past reported results, when the actual adjustment took place in the month it is reported.

106. **OSS Lack of Flow Through** Qwest's position is that its flow-through rates are more than sufficient for 271 relief. During July, Qwest stated that it met every benchmark set for PO-2B (flow-through for eligible LSRs), and Qwest has met the benchmarks consistently for the past 12 months.

107. Qwest also stated that its flow-through rates under PO-2A (flow-through for all LSRs) are comparable to those of BOCs that have received Section 271 relief. It stated that according to July Arizona Commercial Performance Results the flow-through rates that month were 82% for Resale, 78% for UNE-P and 58.6% for aggregate UNEs. He stated that neither in Arizona nor the ROC has a standard been set for PO-2A. However, in Colorado a new measurement has been established, it is PID PO-2B which is susceptible to assignment of a standard or benchmark. In response to an Eschelon comment that it experienced a much lower percentage of flow-through, approximately 41%, Qwest responded that this may be more related to what is designed to flow-through and what is not designed to do so.

108. Qwest's witness stated that based on the discussion on the preceding day, Qwest had taken a take-back to resolve any conflicting information matters. For example, he stated that Eschelon believed it had been informed that Centrex plus or Centron conversions to UNE-P did not flow-through, and that was conflicting with the information that he had been provided. He went on to say that in the take back they verified that the information Eschelon was provided through December was correct; that is, like resale, that is not designed to flow-through. Based on the complexity of the products, conversion to both resale and UNE-P POTS will need to be intervened upon by the service center, to get a complete and accurate order issued. He also stated that conversions from Centrex 21 currently do not flow-through. That capability is being added with Qwest's IMA release 10.1, scheduled for late August, through which conversions from Centrex 21 to both resale and/or UNE-P will be flowing-through.

109. He also stated that with regard to a 1FB (1 flat-rated business line) which is a POTS line with CCMS service or features on it, that he understood that Eschelon had been told that these do not flow-through. He stated that there are some limitations with respect to CCMS, but that the retail 1FB with CCMS features being converted to a UNE-P POTS would not prevent flow-through. The design limitations in flow-through, he stated, have to do with adding CCMS service to an existing line either on a change basis or a conversion basis. If CCMS is on the line currently and in the conversion your retaining those CCMS features, the request will flow-through.

110. Qwest's witness acknowledged that, and stated that it was his understanding that the limit has to do with the addition of CCMS features. Qwest also confirmed that a conversion of a 1FB with CCMS to UNE-P whether a feature is added or not should flow-through. Qwest's witness stated that there was some blurring of two issues in this discussion. He stated that when he referenced flow-through and flow-through capabilities, and what is designed to flow-through, he was talking about the capability to take an LSR and mechanically convert it to internal service orders, and send these down the processing stream without intervention from a human. To the extent that the type of product that's being ordered requires manual intervention during the provisioning process, he stated that he was not including this in his description of flow-through. He stated further that there will be some documentation provided concerning exactly which scenarios flow-through and which don't, retention of an exact set of CCMS features that exist, whether Eschelon is removing CCMS features or adding features. If there are limits to any of the stated scenarios, Qwest will identify specifically which features prevent successful flow-through. Qwest's witness stated that this documentation would be provided as a late-filed exhibit.

111. Qwest stated that it may be adding additional products to the flow-through eligible list, but in light of Qwest's overall strong flow-through performance, the addition of such products is not necessary for 271 relief. Qwest also stated that future changes to flow-through eligible products is largely controlled by CLECs. In the Change Management process, CLECs can submit CRs to add additional flow-through capability, and such CRs are subject to the prioritization process, where Qwest's vote is just one of many.

112. As to the issue of orders falling out for manual handling, Qwest stated that conversions require the issuance of Disconnect and New Connect service orders, and that the orders are written with entries that direct the provisioning systems and personnel to treat the orders as a mated pair. The MARCH system receives a single "work request" to accomplish the requested changes in the switch. The disconnect portion is worked first so that the installation portion can be processed without encountering an error for the telephone number already existing on the switch. The installation portion is then worked. This normally results in an out of service condition measured in seconds. When MARCH encounters a problem with the inward portion of the request, it drops the request to RCMAC for manual assistance. RCMAC monitors this work queue and manages the fallout in due date order. This occurrence will cause an out of service condition for a longer period of time. Qwest is evaluating both process and systems enhancements to minimize the out of service period. However it is important to note that this situation applies to a limited subset of conversion requests since the majority of conversions can be accomplished on a single Change order.

113. Finally, Qwest stated that Eschelon has been advised that when a Frame Due Time (FDT) is specified but a Coordinated Hot Cut (CHC) is not requested, Qwest is not committed to a specific time of day cut. Qwest attempts to honor the customer's request but absent coordination, commits to having the conversion worked by the end of the day on the due date.

114. **<u>UNE-P Provisioning, Documentation and Ordering</u>** Qwest's witness stated that about a year ago Qwest formed a team working with Eschelon to customize a solution for this customer concerning a complex set of products. She further stated that Eschelon was asking for things that Qwest had not had to process previously, from a wholesale perspective. Even with these additional efforts, the witness stated that Qwest was experiencing processing problems from both the Eschelon side and the Qwest side. At one point it was agreed to put the process on hold. In March

of this year she stated that Qwest and Eschelon examined what would be necessary for Eschelon to use UNE-P. She stated then that she was surprised to learn that Eschelon was continuing with UNE-Star. There was some disagreement by Eschelon over the decisions, the participants in the decisions and the dates of decisions.

115. Qwest's witness stated that there were two issues, one of which was the continuation of work by Qwest on the mechanization of UNE-Star. Qwest's witness stated that with respect to the mechanization of UNE-E, Qwest has developed a solution that will make option two into a product which will not have to go through CMP. She stated that Eschelon would receive a document that day which would spell out the process. She further stated that Qwest would issue all of the orders that will convert Eschelon's existing base in order to ensure that the mechanized billing will all be in place by the end of 2002.

116. Qwest's witness introduced Exhibit Qwest-3, which provides data concerning Eschelon's UNE-P conversion project. It addresses reject rates with respect to LSR's, Eschelon's LSR supplemental rate, provisioning issues such as a line going down or a feature going out, and identifies Eschelon caused problems and Qwest caused problems. The Exhibit represents migrations from UNE-Star to UNE-P. Eschelon's witness acknowledged that Qwest has fewer errors for migrations than with new conversions. Their main concern was with new UNE-P orders.

117. The next issue to which Qwest responded was UNE-P feature availability. Qwest's witness stated that he would focus on documentation which Qwest provides to CLECs in terms of feature availability or unavailability. He described the structure of the UNE-P product catalogs (PCATs) including general information and links to individual product catalogs. He stated that in the general information PCAT, Qwest lists a document which provides features that are unavailable with UNE-P, including AIN products, voice messaging products, feature products, etc. He stated that this is provided by USOC, and that Qwest also provides a language description for each one. He stated that features available with products are detailed in each one of the individual PCATs, by USOC and by language. He referred to the features that were presented by Eschelon on Day One of the Workshop, which included five USOCs that were in question. He stated that Qwest would take those back, convene the core team and review their availability, update the available documentation as necessary, and funnel that through the CMP process. He stated that Qwest would distribute a notice through CMP channels, and file that as late-filed Exhibit Qwest-4.

118. With respect to Eschelon's complaint that Qwest PCAT needs to be updated on a more regular basis, Qwest's response was that they would look at the issue when putting together the late filed exhibit, since the intent of the documents is to be as comprehensive and clear as possible, within the context that they are dynamic and changing continually, going through the CMP process. To this, Eschelon's witness stated that earlier promises to update the product catalog have not materialized. Eschelon commented further that although Qwest states that they update the documents regularly, the date of the last update on the document for features not available with UNE-P is November 2000. Eschelon's witness agreed to check that date, since she was referencing a date on the website.

119. Qwest's witness stated that Qwest has taken several steps to address the issue of ensuring that Eschelon's orders are as accurate as they can be. One matter is major releases to the IMA system, in which they put additional up-front edits to ensure that common mistakes are minimized. Additionally, Qwest attempts to include improvements in flow-through capabilities with

each release. For example, with the IMA-GUI 10.1 release next month, full conversions of Centrex 21 to resale or UNE-P will begin to flow-through. Qwest also has a training curriculum which targets training, and is focusing on issues that the training group is going to be working with, and processing and supporting.

120. As to the cumbersome ordering process, Qwest stated that CLECs have only recently requested through CMP the addition of "migration as specified". The CRs have followed the stated CMP process and have been prioritized for the IMA 12.0 release. Moreover, Qwest stated that once Qwest determined that it could implement a portion of one of these requests without system changes, it followed the CMP notification process and eliminated the requirement to specify unwanted features on UNE-P conversion requests. That change was effective August 16, 2002.

121. Further, coaches in Qwest's service centers perform quality reviews for every one of the Service Delivery Center's (SDC's). Also, Qwest looks for opportunities to increase the internal edits in its service order processor, in order to format the processor to minimize common mistakes. In addition, Qwest's witness stated that, above and beyond all of the foregoing, Qwest has the new PID (PO-20) for which, with CLECs help, Qwest will provide information that is important to CLECs beyond that which the PID has been defined to do. This will be handled through Long-Term PID Administration. In this regard, Qwest states that it is looking at the things that it has heard are of concern to CLECs, including entries that link the service order to the CLEC's LSR. Qwest's witness referenced IMA-GUI release 10.1, mentioned earlier, and additional features that will enhance the relationship of the CLEC to Qwest. Finally, he referenced a new form of notice that will be available to both GUI and EDI customers, which will address the issue of not being able to see what was put on the internal order until completion.

122. He also referenced the new notice called a PSON (Pending Service Order Notification). With this a CLEC can see, while an order is still pending, that, in fact, its LSR has been translated to internal service orders that accurately reflect what it was that the CLEC wanted done. The PSON enabled Eschelon or any CLEC to determine if something is being provided that the CLEC doesn't believe it asked for. Conversely, if the PSON doesn't have something that the CLEC did ask for, the CLEC can verify the LSR submitted, and where it finds an error, report it through the Sierra Vista Call Center, in order for them to update the internal service order to accurately reflect what the CLEC asked for.

123. Qwest responded to the other Eschelon issues by stating, first, that the quality assurance steps are certainly not brand-new, but they have been given a renewed focus as a result of the third party tests in Arizona and in the ROC. He stated that the attention given to the quality assurance steps, as a result of the third party tests, ensures that they are done. He also stated that the focus of root cause analysis was on specific items; therefore Eschelon should have been reviewing performance improvement around those items, rather than addressing it on a broad scale basis. With respect to IMA release 10.1, he stated that training would have only just begun since the release does not go into effect until the latter half of the following month.

124. **Maintenance and Repair – Authorization for and Accuracy of Closing Tickets** Qwest stated that an updated audit of its trouble codes (through June 2002) shows continued aggregated performance on average of 95+%. Contrary to Eschelon's comments, Qwest attempts to notify its customers and follows the same process for its Retail and Wholesale operations when closing a trouble ticket. To the extent Eschelon has not received such notification, Qwest stated that

it cannot address the particular reasons without further specifics. Qwest stated that the process for customer notification is dependent on the type of service, design or non-design. But either way, Qwest stated that it attempts to notify the customer. For non-design trouble tickets, the technician that resolves the trouble also closes the ticket. If the customer cannot be reached, a voice mail message is left and the ticket is closed. Customer notification is dependent on availability at the customer provided call back number.

125. For trouble tickets opened through CEMR, notification is automatically sent through e-mail or fax when the ticket is closed. For design services, which are generally more complex, Qwest uses an MCO to manage all designed service trouble tickets, including trouble tickets for UNEs. If the CLEC is not available at the time of closure, the MCO technician will wait up to 24 hours after attempting to contact the customer to coordinate closure. The MCO technician will leave voice mails if he is unable to contact the customer and the trouble ticket is placed in a No Access status while Qwest awaits the customer's response.

126. **Cut-Overs** Qwest stated that it captures a random sample of unbundled loop provisioning and the associated test for Dial Tone on a weekly basis. When a cut to an unbundled loop is scheduled, the Coordinator/Implementer ("C/I") checks the OSSLOG to see if there is Dial Tone. If there is no Dial Tone, the C/I calls the CLEC to notify them of no Dial Tone. Coordinator/Implementers are checked weekly for compliance. Coaches perform compliance reviews on a monthly basis. CMP CR PC061002-1 provides further clarification to the process followed if the CLEC is not ready within 30 minutes. This was discussed at the September CMP and implementation was targeted for the end of October. The change from telephone to e-mail no dial tone notices requested in CR PC061002-1, became effective September 25, 2002 and was noticed to the CLEC community on September 5, 2002.

127. **Switched Access** Qwest stated that since it did not have access to the internal audit information that Eschelon relied upon, it could not respond specifically to what Eschelon claims is missing. Qwest also relied upon the evidence from its OSS Tests which it stated demonstrated that Qwest provides complete, accurate and timely wholesale bills and usage records to CLECs. In implementing several important fixes during the OSS test, Qwest stated that these changes ensured that even the most rate types of calls would be included on the DUF. The conclusion of both Test Administrators was that Qwest provided the CLECs with an accurate and complete DUF.

128. **McLeod Billing Accuracy Issues** Qwest finally addressed the issues raised by McLeod. The witness stated that he believed they had a reasonable process in which Qwest would develop the figures each month and ship them to McLeod for approval. He explained the five month true-up delay in terms of individuals' extensive schedules, and the difficulty in obtaining approval for one month (May). McLeod's witness concurred that they had a process which was intended to provide data within two weeks after month end. However, she stated that the process was never followed, and that she frequently had to contact Qwest to get true-up numbers. She did agree that she had received numbers following each of the months of February through June and did approve those in a timely manner after receiving the true-ups. She stated that her understanding that the reason June was paid out quickly was that Qwest had been trying to find somebody to understand why the payments were being held up and to find somebody to sign off on the earlier months. They did that just prior to receiving the June numbers and were able to include the June payment with the payments for the other months.

129. Qwest responded that they could certainly go forward following the process but did not know previously that it was an issue with McLeod, until it was brought up a couple of weeks ago. McLeod also stated that there had been a prior period (October 2000 through April 2001) where payments had been held up. At this point the Facilitator asked if there are problems other than late payments. A McLeod witness stated that it has been a late payment problem. He also stated that McLeod understood from the beginning that this would be an interim process, and that at some point Qwest would introduce a mechanized billing system which would provide accurate bills and eliminate the need for a monthly true-up. Qwest stated that the reason for the true-up is that its billing systems are not set up to bill UNE-E and UNE-M mechanically. However Qwest's witness stated that Qwest is working now with Eschelon on options for mechanizing the UNE-E billing process. Following concurrence with Eschelon, Qwest has plans to meet with McLeod to start discussions concerning their plans for UNE-M, and then to set a schedule for working on mechanization for McLeod.

V. OSS Related Impasse Issues and Staff Resolution

130. The following paragraphs discuss OSS related Impasse Issues and provide Staff's proposed resolutions for each.

1. SERVICE AFFECTING PERFORMANCE AND REPORTING: *See* Ex. E-A; *see also* Ex. E-1, pp. 1-2; *see, e.g.*, Tr. Vol. I, pp. 36-42, 62, 73-74, 76, 88, 94-98, 101-02, 122-23, 130-32, 137-43, 146-49, 153-67.

131. Eschelon raised twelve sub-issues of service affecting performance and reporting, all of which are covered herein. The first four issues are as follows:

a. Are customer affecting problems occurring for Off-Net orders at an unacceptable level?

b. Are those customer affecting problems adequately addressed by Qwest's performance measures and proposed measures and related performance assurance plans?

c. Are there service affecting errors and omissions (separate from service order errors) that are not being captured by the PIDs?

d. Should Qwest use and escalate from the repair interval (rather than the longer service order interval) when a service order accuracy error occurs?

A. Parties Positions

132. In the workshop, Eschelon spent considerable time discussing this issue. Eschelon pointed out that they did not believe that Qwest was reporting accurately the service being provided to them. Specifically, Eschelon expressed concern about the accuracy of PID (Qwest Service Performance Indicator Definition) OP-5 (New Service Installation Quality). Eschelon presented to the workshop its internal report card of service provided by Qwest based on its own internal information. The results presented indicated that Eschelon's internally calculated results for OP-5 were significantly different from those reported by Qwest.

133. Qwest responded to each of these issues in the Eschelon Issues-Cites to Qwest Responses Matrix sent on August 8, 2002. Qwest has provided cites to the transcript for where Qwest responded to each issue during the Supplemental Final Workshop. Qwest responded to these issues during the July 30-July 31 Workshop, stating that:

> "Over the last two years, Qwest's performance has been scrutinized beyond that experienced by any other BOC. Liberty Consulting and CGE&Y audited Qwest's performance tracking and reporting processes and found them reliable, and Liberty and KPMG validated Qwest's performance results in data reconciliation. Qwest's overall commercial performance supports their conclusions; Qwest's performance meets the standards set by the PIDs. Mike Williams discussed the Qwest's overall performance during the Arizona Supplemental Final Workshop." (See Arizona Supplemental Final Workshop Transcript Volume II, pages 380-406, and specifically OP-5 see Arizona Supplemental Final Workshop Transcript Volume I, pages 47-54, 62-64 and Volume II, pages 393-398 and OP-13 see Arizona Supplemental Final Workshop Transcript Volume II, pages 386-393.)
>
> Chris Viveros and Toni Dubuque also discussed Manual Order Processing, Service Order Accuracy and Installation Quality Measures during the Arizona Supplemental Final Workshop." (See Arizona Supplemental Final Workshop Transcript Volume I, pages 73-79, 85-86, 90-95 and 130-139. See also exhibit: Qwest-1 - HIGHLY CONFIDENTIAL Qwest Performance Results, Eschelon, July 2001-June 2002).

B. Staff Discussion and Recommendation

134. Staff is concerned about the problems pointed out by Eschelon. Eschelon is almost unique in its business plan and the services it provides. Eschelon provides a high percentage of Centrex type services and other more complex services to its customers. It utilizes Qwest UNE-Star (UNE-E) product that is unique to it and McLeod. Because of these more complex services, many of Eschelon LSR's are manually handled and are more complex than the services tested in the OSS test.

135. Because of this concern, Staff requested that CGE&Y conduct a reconciliation of reported data between Eschelon data and Qwest data for the Measurement of Installation quality (OP-5). The CGE&Y report on the OP-5 data reconciliation was submitted on October 24, 2002. Parties filed comments on the CGE&Y report on November 11, 2002.

136. The major findings from the Executive Summary are as follows:

> "CGE&Y identified several issues during the comparison of the Eschelon provided data and the Qwest provided adhoc data that indicated Qwest is not calculating OP-5 in strict accordance with the PID 7.0, and moreover, the OP-5 calculation as defined in the PID is not completely representative of all troubles CLECs experience in relation to a new installation. (See Sections 2-4)
>
> CGE&Y found that Qwest is failing to include certain eligible repeat reports, troubles reported before LMOS has been updated with the new service order information, and troubles on lines within 30 days of an inward installation but after a subsequent invalid order type in OP-5. CGE&Y also found that Qwest inappropriately includes troubles that are not

within 30 days of an inward installation because LMOS cannot differentiate between orders with or without an inward activity.

In addition, the data reconciliation uncovered inherent differences between the information captured by a CLEC and the performance data captured by Qwest that prevents the CLEC from recalculating the OP-5 PID from its own data. Specifically, trouble situations experienced by a CLEC relating to a new installation are not captured as trouble tickets readily available for inclusion into Qwest's OP-5 calculation. (See Sections 3 & 4) These situations included outages on the day of installation and incorrectly typed service orders resulting in the provision of services not per the LSR.

In addition, CGE&Y found cases of disposition discrepancies between Eschelon's data and the Qwest adhoc data. Specifically, CGE&Y identified cases where troubles appeared to be coded to the responsibility of the wrong party. CGE&Y also found troubles classified as the incorrect carrier as a result of the trouble being reported before LMOS was updated.

CGE&Y's analysis of the trouble ticket information provided by Eschelon and the Qwest adhoc data indicates that result obtained from Qwest's published performance reports for the period May 1 – June 30, 2002 of 92.17% does not reflect the true service quality per PID 7.0. In fact, CGE&Y determined the true PID 7.0 result for Eschelon for this time period was between 87.37% and 88.26%, depending on whether CGE&Y's disposition determinations are used or not. CGE&Y's results are not as low as what was reported by Eschelon for April 2002, 40.7%. CGE&Y finds that this is likely due to Eschelon not being aware of the disposition of troubles in the MTAS data and whether the lines on which the troubles occurred experienced an inward installation activity.

CGE&Y's recommended OP-5A, which counts only the first Qwest-responsible installation-related trouble and adjusted disputed dispositions indicated a 91.64% installation service quality. When the measure is expanded to include service disruptions on the day of installation and order-writing inaccuracies, service installation quality would be reduced to an estimated 87.19%, CGE&Y's proposed OP-5D. Qwest's retail results for the combined period May and June are 85.34% and adjusted to 86.84% when only service orders with inward activity are considered, as per the PID."

137. CGE&Y made the following recommendations to remedy the deficiencies discovered during the data reconciliation:

a. Of the 83 troubles coded as OP-5 eligible by either Qwest of CGE&Y, Qwest coded 61% (51) incorrectly. CGE&Y recommends that Qwest implement a process to correct the tickets coded in error prior to the release of their regulatory reports.
b. The inclusion of repeat repair reports in OP-5, does not represent subsequent installation errors, but instead reflects Qwest's failure to clear the trouble the first time. Repeat repair reports are indicative of the quality of Qwest's maintenance and repair services, and are already reflected in the MR-7 measure, "Repair Repeat Report Rate". CGE&Y recommends that Repeat Reports Should be Excluded From OP-5.

c. Disaggregation of the current OP-5 measure to include the following installation related errors: OP-5A the current PID version of OP-5-(absent repeat reports); OP-5B – service disruptions – day of installation; OP-5C – service order accuracy; and OP-5D – overall installation quality. CGE&Y recommends that OP-5D measure the total percentage of new installations without a trouble or customer affecting condition experienced within the first 30 days of installation (an aggregation of OP-5A, B, C, and D).
d. According to Qwest, it is implementing a fix to correct various LMOS restrictions that are preventing the correct assigning of the installation indicator. CGE&Y recommends that this fix be implemented immediately and audited for accuracy.
e. CGE&Y recommends that Qwest identify and tracks error conditions as the result of LMOS limitations and incorporate them to the OP-5 measure prior to the release of the regulatory reports.
f. Qwest should not consider tickets as excluded from MTAS when assigning the installation indicator to later tickets on the same line. In addition, in cases where these troubles are excluded because they were referred to another department, CGE&Y recommended that such cases be considered by the TAG for inclusion in service installation quality calculations.

138. Staff notes here that, referred to in para. 46, calculation of 87.19% does not take into account Repeat Reports which the PID does not exclude. CGE&Y, in its conclusion section, calculated the effect of Repeat Reports:

> "If installation-related troubles which are not the first Qwest-caused trouble are also included (as per PID 7.0), this result would drop to 82.82%. There is no analogous result for retail performance, therefore, no determination of parity is possible."

139. The bottom line of CGE&Y's Report is that there are many errors and omissions in Qwest reported OP-5 results as well as disagreements on what should be included per the PID definition. Because of systems limitations, it is not possible to go back and recalculate results. Therefore, Staff believes the best approach at this point is to focus on correcting the problems and clearing up the disagreements.

140. Many of the discrepancies (approximately 70%) are occurring because of legacy system limitations. In Qwest's comments on the CGE&Y report, Qwest advised as follows:

> "Since OP-5 was first developed, advancements in capabilities have made improvements possible for OP-5. Qwest is in the final steps of further improvements to its OP-5 measurement by enabling the PID's reporting process to eliminate the effects of upstream limitations in systems. With the November 2002 results (reported in December 2002), Qwest will implement a new capability to refine the identification of OP-5-qualified trouble reports and link them with specific new installation orders..."

141. Staff agrees that as it understands the system changes that Qwest is planning, that on a going forward basis that the system created discrepancies found by CGE&Y should be corrected. Staff requests that Qwest present further evidence and demonstrate that the discrepancies identified

by CGE&Y will be corrected with this implementation. This evidence should include a comparison with the old method of calculating OP-5.

142. However, for the remaining approximately 30% of the discrepancies, there is considerable disagreement between Qwest and the parties on the OP-5 exclusion definitions. This is clear in the Qwest conclusion section of their comments on CGE&Y's report as follows:

> "The questions raised by CGE&Y are explained by a very few LMOS limitations that have existed since before the development of the PIDs or by misunderstandings and overreaching on CGE&Y's part. While there are misunderstandings as to specifics of what OP-5 was intended to cover, it is clearer than ever what OP-5 does and does not capture. Regardless of whether that represents what was originally intended, CGE&Y's report confirms that OP-5 currently represents *installation* quality, not ordering quality. Outside of that, almost all of what OP-5 does not capture, in terms of service order accuracy issues, are covered by Qwest's PO-20 and Service Order Accuracy – Call Center results, and will continue to be so until the parties in the LTPA collaborative agree upon other ways to do it. Qwest has constantly committed that it will measure these issues and work with the parties in LTPA in a good faith effort to achieve agreement on how to refine the approach."

143. Staff disagrees with Qwest on these issues. The OP-5 PID clearly measures ordering as well as installation quality as indicated by the purpose statement for OP-5 (AZ 271 Working PID Version 7.0, November 16, 2001) as follows from the OP-5 definition:

> "**Purpose**: Evaluates quality of ordering and installation of services, focusing on the percentage of average monthly new order installations that were free of trouble reports for thirty calendar days following installation including the percentage of new service installations that experienced a trouble report on the installation date after the order is reported as work complete by the technician."

144. Staff also believes that the OP-5 clearly states that its purpose is to measure trouble reports. The PID defines trouble reports as:

> "**Customer Trouble Reports** – A report that the carrier providing the underlying service opens when notified that a customer has a problem with their service. Once resolved, the disposition of the trouble is changed to closed."

145. From this, Staff concludes that OP-5 includes all customer trouble reports from the customer resulting from either being out of service or not receiving service and equipment that was ordered from the CLEC.

146. Qwest disagreement comes from dividing troubles caused by the service order process from those resulting from the installation process. For trouble reports received within 72 hours of installation, Qwest has established a process that the CLECs are requested to call the CLEC Call Center as their first course of action. If Qwest determines the trouble is caused by a service order problem (a mismatch between the LSR (Local Service Request) issued by the CLEC and the Service Order issued by Qwest) it corrects the problem by issuing a correcting service order but excludes the CLEC report from OP-5. CGE&Y recommended this problem be captured as OP-5C.

147. Staff believes the current OP-5 description is clear on this issue. The customer filed a trouble report with the CLEC claiming that a service or feature ordered had not been provided. These Customer Trouble Reports to Qwest should be counted in OP-5. The customer is not concerned that the problem was a service order problem. The customer did not get what was ordered and is calling to get it corrected. Some of these types of troubles can seriously affect service, depending on what feature was not provided.

148. The second disagreement relates to conversions from retail to CLEC service that result in Out of Service conditions on the day of the cut (usually due to disassociation of a disconnect and an inward order). Qwest claims that even though they put the end user customer out of service, the customer trouble report should be excluded because the trouble report was received before the connect order has been completed. Qwest cites a customer trouble report exclusion for service order work prior to completion of the order. This is issue is more serious than the above issue. In this case the customer has been disconnected from Qwest retail service, not been reestablished as a CLEC customer and is left without working service. It was noted by CGE&Y that some of these cases were of several hours duration.

149. Staff again believes the current PID OP-5 description provides for this to be counted as a customer trouble report and included. The exclusion Qwest cites applies to dispatched technicians establishing new service. It does not apply to conversions of existing service to a UNE-P product. This is a very serious out of service condition that should be corrected. Staff further addresses this issue in Impasse Issue 6 and recommends a new process to prevent lengthy out of service conditions. CGE&Y recommended that these reports be included as OP-5B.

150. Staff concludes that OP-5, after planned implementation of Qwest systems changes along with the inclusion of trouble reports for LSR/SO mismatches and trouble report for outages on the date of installation, is a good measurement of New Service Installation Quality. This resolution should provide an adequate measurement so that Eschelon's concerns can be dealt with satisfactorily. In addition, by treating these errors as trouble reports, they should carry the repair interval for resolution. This should satisfy Eschelon's correction interval concern. The revised OP-5 measurement and its effectiveness will be reviewed in the first six-month PAP review.

e. Are proposed PID PO-20 and the augment to PID OP-5 adequate to capture the issues Eschelon has raised?

A. <u>Parties Positions</u>

151. Qwest believes that Manual Service Order Accuracy (PO-20) and what is referred to above as "the augment to OP-5", which Qwest is reporting on the page following PO-20 results in its monthly reports (beginning with July 2002 results) do capture the issues Eschelon has raised. The aspects of order accuracy that PO-20 and OP-5 do not cover is whether all the services/features ordered on the LSR were correctly transferred to the Qwest service order. This is precisely what the additional data following PO-20 in Qwest's reports provides. By capturing calls from CLECs to Qwest's ISC reporting discrepancies with what was ordered versus what was installed, this additional data covers the remaining Eschelon issues on the subject of order accuracy.

B. Staff Discussion and Recommendation

152. Staff believes that the current proposal that Qwest has made for PO-20 does not capture Eschelon's issues. Eschelon's issues are that service order accuracy should include errors in the services/features ordered on the LSR that are not correctly transferred to the Qwest service order. The proposed PO-20 does not provide for capturing these errors. Although Qwest proposed PO-20 is similar to the Service Order Accuracy measurement that other RBOCs are utilizing in using a sampling technique, it does not measure the accuracy of the service/features section of the service order as compared to the LSR. The service/feature section is the one that affects the service provided by the CLEC and is what Eschelon is concerned about.

153. Staff requests that PO-20 be modified to include measurement of whether all the services/features ordered on the LSR were correctly transferred to the Qwest service order. In addition, Staff requests that calls to the service center because of a service order errors also be reported in PO-20 (calls resulting from customer trouble reports should be disaggregated from calls for errors identified by the CLEC through its own actions). This does not change Staffs belief, as discussed above, that trouble reports from end user customers because of Qwest errors in writing the services/features portion of the service order should be included in OP-5 as customer trouble reports. These changes to both PO-20 and OP-5 should adequately capture Eschelon's concerns. This proposal should be submitted to the Arizona TAG for CLEC input and final resolution by February 27, 2003. Qwest should be required to finalize its proposal by March 14, 2003. The revised OP-5 and PO-20 measurement and its effectiveness will be reviewed in the first six-month PAP review.

154. In summary with respect to OP-5 and PO-20, Staff recommends the following:

a. That Qwest be required to verify through a filing with the Commission within 90 days from the effective date of the Commission's Order approving this Report that its new calculation process corrects the high incidence of coding problems uncovered in the CGE&Y Report.

b. Staff recommends that Repeat Reports continue to be included in OP-5, since the parties and Qwest agreed to inclusion at the time of PID development.

c. Staff recommends OP-5 measure the total percentage of new installations without a trouble or customer affecting condition experienced with the first 30 days of installation.

   In cases where troubles are excluded because they were referred to another department, Staff recommends that such cases be considered by the TAG and/or Long-Term PID Administration for inclusion in service installation quality calculations.

d. Staff recommends that PO-20 be modified as set forth above in paragraph 153.

f. Should OP-3 (Installation Commitments Met) be evaluated to determine whether it should reflect (unless adequately reflected elsewhere) that, when there is a service order error, Qwest did not meet its commitment *to provision the order as written* by the due date?

A. <u>**Parties Position**</u>

155. Qwest stated that the specific concerns raised recently by Eschelon in relation to OP-3 and OP-5 were addressed in the collaborative. Eschelon has advanced nothing new that was not already considered and addressed by the test.

156. Qwest also stated that the parties decided to continue to address timeliness and accuracy of service provisioning in separate measurements, as has been commonly done throughout the industry for many years. This approach avoids problems created by attempting to address multiple dimensions of provisioning in one measurement, reducing the likelihood, for example, that one variable could mask the effects of another. Accordingly, the collaborative determined to measure provisioning *timeliness* with the commitments met and installation intervals measurements (i.e., OP-3 and OP-4) and to measure provisioning *accuracy* with the new service installation quality measurement (i.e., OP-5).

157. The collaborative recognized that, in the context of the complex and dynamic environment of providing telecommunications services, it was not advisable to attempt to measure every possible dimension of service provisioning. Indeed, it would be impossible to measure every conceivable aspect of service. Instead, the parties explicitly followed a policy of measuring the most important dimensions of service. The parties considered not only a variety of proposals from the parties, including those of the Local Competition Users Group (LCUG) (a national organization of five CLECs), but also measurements used by other ILECs, with increasing emphasis on those achieving approval of their 271 applications. The parties understood – and designed into the master test plan – that aspects of service not measured by the PIDs would be addressed by the test, in its numerous scenarios and transaction types.

158. By using the production environment almost totally, the test would yield an accurate representation of Qwest's performance in the product and functional areas specified as important by the parties. In those areas, all aspects of pre-ordering, ordering, provisioning, repairing, and billing services, among other aspects, would be captured by the pseudo-CLEC and test administrator who were charged with issuing test exceptions ("IWOs" or incident work orders) whenever they encountered situations that might indicate a problem in providing CLECs nondiscriminatory access to OSS and a meaningful opportunity to compete. Thus, any aspects of service not captured by the PIDs that affect products and functionalities selected by the parties for testing would, indeed, be captured by the test.

159. Service order accuracy was one of the dimensions of service quality not directly addressed by the PIDs that would be evaluated by the test. Accordingly, during the test, if there appeared to be discrepancies between, for example, what was ordered by the pseudo-CLEC and what was provisioned by Qwest, an IWO was issued. The concept was that, where problems were found that were not addressed by PIDs, further discussion could be held as to the best way to address the matter. One option was to suggest additional PIDs. However, for service order accuracy, the test

demonstrated that Qwest was able to successfully and accurately handle LSRs notwithstanding, Qwest has recently offered to report results under PO-20 to address specific questions (not test failures) raised in the ROC 271 OSS test related to order accuracy – specifically, order fields affecting service intervals and commitments met. When parties commented on the dimension of accuracy not being measured by PIDs, Qwest provided yet additional data based on CLEC calls to call centers about order accuracy problems to demonstrate whether there was any issue with which to be concerned. The data proved that Qwest's ordering accuracy is excellent, whether looking across all orders (mechanical and manual, at better than 98-99 percent) or across only manual orders (generally better than 95%).

160. In sum, Qwest measures its provisioning timeliness and accuracy using PIDs defined by the collaborative, which evaluate timeliness and accuracy in separate measurements. With respect to ordering accuracy, although the test identified no material problems, Qwest has volunteered PO-20 to focus on questions the ROC test raised, showing that Qwest's accuracy levels are reasonable. Qwest is also providing additional data that shows remaining accuracy aspects not captured by PO-20 or OP-5 are showing excellent performance. Going forward, the focus must continue to be on those measurements that address the most important areas of service quality that are presently of concern to the parties. Measurements consistently showing satisfactory performance will be candidates for removal, while other measurements will be developed, if needed, to address any new issues that may arise. Given that, for over five years, the parties have worked collaboratively to reach this point, and that the parties are totally in agreement that such collaboration will continue, we are all assured that, as issues come and go, there will be appropriate mechanisms to address them and, when not needed further, to give way to other measurements.

A. <u>Staff Discussion and Recommendation</u>

161. Staff agrees with Qwest that OP-3 (Installation Commitment Met) is not the place to measure trouble reports due to service order errors by Qwest. Staff believes that this issue is resolved with Staff's resolution of OP-5 above.

g. Are the Qwest PIDs adequately capturing troubles that are reported through Qwest's documented processes when those processes, allow action other than opening a trouble ticket with the repair desk?

A. <u>Parties Comments</u>

162. Qwest advises that Qwest's PIDs do appropriately capture troubles that are reported through Qwest's documented process when those processes allow action other than opening a trouble ticket with the repair desk. The issue is one of performance, not one of semantics, and the performance of interest, in this instance involving "capturing troubles" is how well Qwest responds to CLEC reports of problems, when submitted through the proper channels, regardless of whether the action involves opening a "trouble ticket" with the "repair desk."

163. According to Qwest, the parties in the Arizona and ROC collaboratives extensively discussed these issues and decided how they wanted the PIDs to address such performance. Where a service is not functioning properly, after having been initially installed properly, the parties designated PIDs MR-3 through MR-9 to capture timeliness and accuracy of repairs, according to whether they were non-designed or designed services. These types of troubles involve calls to the

repair center and not to the ISCs, because the services involved are not in the provisioning "window" (i.e., within 72 hours following installation), and thus are those that were working properly for some time before the trouble occurred. Therefore, the performance dimension to be captured by these measurements is the repair work done on such services when they "break" or stop working properly, either partially or completely.

164. With respect to situations involving newly-installed services, the parties revised the OP-5 definition, early on, to include both those troubles occurring in the 72-hour provisioning window mentioned earlier (reported to the ISC) and those beyond that up to 30 days following actual completion of installation work (reported to the repair center). This includes troubles reported on the same day as the installation, immediately after the technician reports the work as being complete to Qwest's systems (i.e., from the moment our systems "know" the installation is "in service").

165. Also, for LNP-related disconnects, OP-17 and MR-11 capture troubles reported both through the ISC and through the repair centers, for the performance aspects those PIDs are supposed to measure (i.e., related to "timely" and "untimely" CLEC requests for due date changes).

166. Accordingly, all types of troubles reported to Qwest in accordance with current published processes are captured appropriately by the PIDs designed to address them; and all such troubles have PIDs designed to address them in the appropriate fashion set forth by the parties in the 271 collaboratives.

B. <u>Staff Discussion and Recommendation</u>

167. Staff disagrees with Qwest on this point. Qwest does not include trouble reports that are caused by Qwest service order errors in OP-5. That is, if a customer reports that they either did not receive a service or have other service problems that are due to the way Qwest wrote the service order, this is not included in OP-5. Further, Qwest utilizes a 72 hour process following installation to resolve these problems. However, these trouble reports are considered service order related and are being captured by Qwest in supplemental reporting. They are not included in OP-5 as trouble reports. Staff believes, as described above, they should be counted as trouble reports in OP-5 and has recommended that Qwest include them.

h. Should the form and content of any long-term PID administration plan be developed, so that a forum is available when needed, before 271 approval is recommended?

A. <u>Parties Positions</u>

168. There is no legal requirement or justification for withholding section 271 approval until the long term PID administration forum has been established. There is also no need for such a delay. The ACC has approved the QPAP on July 26, 2002, per Order No. 64888 dated June 5, 2002, which includes provisions for a six month review at which issues can be addressed. Moreover, the ACC has expressed an interest in joining the long term PID administration. forum currently being discussed by the other 13 states in Qwest's local service region. Eschelon has provided no legal or practical reason for the ACC to delay its Section 271 recommendation for approval.

B. Staff Discussion and Recommendation

170. Staff does not agree with Eschelon that this issue needs to be resolved, or that there is a requirement for this to be resolved, prior to Section 271 approval.

i. Should Qwest's reporting of UNE-E/UNE-M/UNE-Star lines be separated from it's reporting of UNE-P to reflect differences in ordering, provisioning, and billing?

A. Parties Positions

171. Qwest addressed this issue in its initial five-state application with the FCC, stating that it properly categorized Eschelon's UNE-Star lines as UNE-P. Eschelon asserts that Qwest stated that:

> "Qwest is already reporting Eschelon's UNE-E/UNE-Star lines as UNE-P lines" in Qwest's performance results. Eschelon Comments at 28. They further contend that Qwest failed to provide the requisite notice for this change, which occurred "in approximately November of 2001."[5]

172. Qwest asserts that:

> "UNE-Star" is an informal name given to various forms of UNE-P combinations offered to CLECs. The product title, "UNE-Star," does not appear in the PIDs or product catalogs. UNE-Star refers to services offered on a UNE-combination or UNE- platform basis that include business POTS-type, Centrex-type, and Centrex 21-type services.[6]
>
> Performance measurement reporting changes are not within scope of CMP and are not governed by CMP guidelines requiring advance notification. Nonetheless, Qwest documents changes in performance results reports in a monthly "Summary of Notes" published shortly after each month's performance results are posted on Qwest's external website. (*See* www.qwest.com/wholesale/results/roc.html.) Qwest notified CLECs of the change in results reporting from business lines to UNE-P in the Summary of Notes published with October 2001 results. Williams Reply Decl. ¶¶ 76-78.[7]

B. Staff Discussion and Recommendation

173. Staff was not aware of the change that Qwest made in including UNE-E and UNE-M (UNE-Star) in the UNE-P disaggregation reporting. However, after reviewing, Staff does not agree that this needs to be changed at this time. This is a unique product to Eschelon and McLeod and it is understood that it probably will be for the most part replaced by UNE-P. Although it has similarities

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[5] *Reply Declaration of Michael G. Williams at ¶ 74.*
[6] *Reply Declaration of Michael G. Williams at ¶ 75.*
[7] *Qwest ROC I Reply Comments at page 28 ¶ 1-3*

to resale also, it is enough like UNE-P that Staff does not believe a change is warranted. Staff does not agree it should be disaggregated and reported separately.

j. Should the Commission recommend 271 approval for Qwest before the end-user customer's experience improves and that improvement is documented and verified?

A. Parties Positions

174. Qwest states that it has demonstrated through this three-year process that it provides excellent service to CLECs. Qwest consistently meets the benchmarks and parity standards set for the PIDs. In addition, the ACC's OSS test was specifically designed to examine a CLEC's ability to provide service to its end-user customers through a variety of test methodologies. Portions of the test directly examined the end-user customer's experience. The results of that test confirmed that CLECs are able to provide local service to their end-users in Qwest's region at a level that meets or exceeds the section 271 requirements. Given that Qwest has met the section 271 requirements, there is no justification to require Qwest to exceed them. Eschelon's baseless request should be rejected.

B. Staff Discussion and Recommendation

175. Staff disagrees with this Eschelon proposal. The OSS test found that Qwest has met its obligations to open up its network. The current Qwest measurements indicate that Qwest is providing parity service to the CLECs.

k. When service order errors occur but are corrected by CLECs (such as through the use of PSONs), should the errors be counted as a miss or otherwise accounted for in the PIDs and PAP?

A. Parties Positions

176. Qwest did not offer comments on this impasse issue.

B. Staff Comments

177. Staff has recommended that Qwest submit a proposal for PO-20 to the Arizona TAG that will include these errors.

l. Should measures to address these issues be developed and revised and incorporated into the PAP before 271 approval is recommended (before long term PID administration)

A. Parties Positions

178. Qwest did not offer comments on this impasse issue.

B. Staff Discussion and Recommendation

179. Staff notes that OP-5 is already contained in the PAP plan for Arizona. When OP-5 is corrected to resolve the issues discussed above, this impasse issue will be resolved.

2. TIME-CONSUMING AND CUMBERSOME ORDERING PROCESS: See Ex. E-D, pp. 13-15; *see also* Ex. E-1, p. 5 & Ex. E-3; Tr. Vol. I, pp. 185-86 & pp. 197-200; Vol. II, p. 535, lines 14-18.

180. Eschelon raised two sub-issues concerning time consuming and cumbersome ordering processes:

a. Should Qwest have to successfully add the capability to convert customers as specified without having to list and map changes, adds or removes (migration as specified) before obtaining 271 approval?

b. Should Qwest have to successfully add migrate by telephone number capability before obtaining 271 approval?

A. Parties Positions

181. Eschelon pointed out in the July 30-31 workshop that they had brought up this issue with UNE-P in the September 2000 workshop. However, at this time Qwest had not addressed the problem. Eschelon also advised that Z-Tel and WorldCom had brought this issue to CMP in Change Request (CR) number SCR060702-1 dated 6/18/02.

182. Qwest advised that the CLECs had only recently officially requested through CMP CR that these capabilities be changed. The CR has followed the stated CMP process and was prioritized for the IMA 12.0 release. Moreover, once Qwest determined that it could implement a portion of one of these requests without system changes, it followed the CMP notification process and eliminated the requirement to specify unwanted features on UNE-P conversion requests. That change was effective August 16, 2002.

A. Staff Discussion and Recommendation

183. Staff believes that this Impasse issue has been satisfactorily resolved through the CMP process. The changes that Eschelon is requesting have been committed to in IMA 12.0 release which is scheduled for April 2003.

184. Staff further does not agree with Eschelon that these changes should be implemented prior to 271 approval. The changes were not formally requested until June 2002. Since the change request has been scheduled, this action by Qwest is sufficient and the issue is satisfactorily resolved. Qwest should file in this Docket verification that IMA 12.0 implemented this change request.

3. CUTOVERS: *See* Ex. E-1, p. 7; E-5 to E-8 (Measure E2); E-D, pp. 67-72.

Eschelon Issue: Should Qwest be required to show that it is providing timely cutovers and complying with its own documented cutover procedures?

A. Parties Positions

185. Eschelon advised that since Eschelon expressed concerns in the Workshop, that Qwest's conduct has changed and may create a renewal of problems, see Ex. E-1, p. 7, and additional cutover problems have occurrence. See Ex. E-D, pp. 67-72. The Commission should require that Qwest show documented compliance with its 48-hour dial tone test policy; Qwest provide evidence that it is providing timely notice to the CLEC of the results of the dial tone test; and that Qwest is properly interpreting the SGAT language allowing Qwest to reschedule the installation by supplementing the order if CLEC is not ready within 30 minutes of the scheduled appointment time (see, e.g., SGAT Section 9.2.2.9.4) so that it does not apply in situations in which the CLEC is ready but for Qwest's failure to inform CLEC of no dial tone. See Ex. E-D, pp. 67-72. (As indicated in footnote 60 to Ex. E-D, p. 70, through CMP, Allegiance Telecom requested the ability to receive "no dial-tone" notices by email [rather than by telephone] [Change Request #PC050302-1]. Because-mails indicate the time at which they were sent, a review of such e-mails should show whether the notices are being sent on a timely basis.)

186. Qwest response describes the 48 hour dial tone rule as follows. When the Central Office Technician (COT) checks a circuit for Dial Tone, the result is entered into WFA/DI. The OSSLOG notes section of WFA/DI denotes whether the loop has Dial Tone or not. When a cut to an unbundled loop is scheduled, the Coordinator/Implementor (C/I) checks the OSSLOG to see if there is Dial Tone. If there is no Dial Tone, the C/I calls the CLEC to notify them of no Dial Tone.

187. Qwest captures a random sample of unbundled loop provisioning and the associated test for Dial Tone on a weekly basis. Coordinator/Implementers (C/I) are checked weekly for compliance. Coaches perform compliance reviews on a monthly basis.

188. CMP CR PC061002-1 (draft) provides further clarification to the process followed if the CLEC is not ready within 30 minutes. This was discussed at the September CMP meeting and Qwest is moving forward with the process to obtain CLEC approval. Implementation is targeted for the end of October.

189. The change from telephone to email no dial tone notices requested in CR PC061002-1, became effective September 25, 2002 and was noticed to the CLEC community on September 5, 2002.

B. Staff Discussion and Recommendation

190. Staff believes that this issue has been handled by CMP and therefore is resolved.

4. UNANNOUNCED CLEC AFFECTING SYSTEMS CHANGES: *See* Ex. E-9, pp. 4-5; E-D, pp. 20-26.

Eschelon Issue: Should Qwest have to show that it is adequately notifying CLECs of changes to systems, including changes to Qwest's back end systems, when those changes may impact CLECs?

A. Parties Position

191. Eschelon advised that despite assurances from Qwest that problems have been corrected, this problem has occurred again since the July workshop. When submitting a change order on a CTX21 account, IMA suddenly began to require a directory listings form in error. Previously, such orders could be completed without completing a directory listings form, and Eschelon received no notice that the process would change. *See* Ex. E-D, pp. 25-26. Despite escalation by Eschelon, the problem remains uncorrected at this time.

192. Qwest responded that this was not the case. That contrary to Eschelon's assertion no change has been made to that process, the directory listing form has been a requirement for UNE Centrex 21 since IMA release 8.01 which deployed November 19, 2001.

B. Staff Discussion and Recommendation

193. Staff agrees that changes to processes should not be made without notification to CLECs. The SGAT provides for how changes to processes, products and systems should be made and how CLECs should be notified. This is covered in SGAT Exhibit G-Change Management Process (CMP).

194. Staff accepts Qwest's response that the example given by Eschelon was not a system change. Therefore, contrary to Eschelon's assertions, in this case there was no change to the process without prior notification to CLECs prior to the July workshop. CGE&Y was asked to follow up and review Qwest actual performance in following the CMP processes. Their report found that Qwest was following procedures on notification to CLECs concerning system changes. (See CGE&Y Report Qwest Change Management Process Redesign Evaluation May 1, 2002 Version 5.0)

4. OSS – LACK OF FLOW THROUGH: *See* Ex. E-A.

Eschelon Issue: Should Qwest be required to show that Centrex 21 orders successfully flow through to UNE-P-POTS after Release 10.1?

A. Parties Positions

195. Qwest claimed that these orders would flow through after 10.1. Since the July workshop, however, Eschelon has observed that these orders do not flow through. Eschelon recently provided approximately 7 examples to its service manager. Qwest's late filed exhibit confirmed that Centrex Plus and Centron do not flow through. Overall, Qwest's flow through eligibility chart and its instructions for manual handling show that Qwest needs to increase the amount of flow through and decrease the amount of manual handling. *See* Ex. E-A.

196. Eschelon asked Qwest to address the process when an order does not flow through the switch, (*see* Tr. Vol. I, p. 113, lines4-19) but can not find that explanation in Qwest's Late Filed Exhibits. When orders fall out for manual handling, the line side translations should be worked immediately so that the customer is not without dial tone. When an order does not flow through, the disconnect is worked but the new connect inward side is not. Both should be worked in a manner that allows the frame due time to be met.. Where is this documented and how is compliance monitored?

197. Qwest's response is that when Conversions require the issuance of Disconnect and New Connect service orders, the orders are written with entries that direct the provisioning systems and personnel to treat the orders as a mated pair. In fact, the MARCH system receives a single "work request" to accomplish the requested changes in the switch. The disconnect portion is worked first so that the installation portion (i.e., the re-establishment of the line under the new class of service and vertical features) can be processed without encountering an error for the telephone number already existing on the switch. The installation portion is then worked. This normally results in an out of service condition measured in seconds.

198. When MARCH encounters a problem with the inward portion of the request, it drops the request to RCMAC for manual assistance. RCMAC monitors this work queue and manages the fallout in due date order. This occurrence will cause an out of service condition for a longer period of time.

199. Qwest is evaluating both process and systems enhancements to minimize the out of service period. However it is important to note that this situation applies to a limited subset of conversion requests since the majority of conversions can be accomplished on a single Change order.

200. Lastly, Eschelon has been advised repeatedly that when a Frame Due Time (FDT) is specified but a Coordinated Hot Cut (CHC) is not requested, Qwest is not committed to a specific time of day cut. Qwest attempts to honor the customer's request but absent coordination, commits to having the conversion worked by the end of the day on the due date.

B. Staff Discussion and Recommendation

201. Staff is concerned about this Disconnect-New Connect order process. The net result is that when there is a problem with the connect order, the CLEC customer is put out of service until the manual assistance responds and handles the connect order. This current process requires too much out of service time and is resulting in customer out of service trouble reports. Staff recommends that for CLEC orders that require both a Disconnect order and a New Connect order that a process be implemented that requires Qwest to monitor on a proactive basis to insure that when the connect order falls out for manual handling that there is an immediate response to restore service. The process should be monitored in the same fashion as a coordinated cut. This new proactive process should prevent extended service disruptions to new CLEC customers.

202. Staff recommends that this new process be implemented within 90 days and that Qwest should advise the Commission upon implementation. Qwest should post this process on its PCAT web site and notify CLECs. The revised process and its effectiveness will be reviewed in the first six-month PAP review.

5. MAINTENANCE AND REPAIR – AUTHORIZATION AND ACCURACY FOR CLOSING TICKETS: See E-9, p. 15; E-D, pp. 45-46.

Eschelon Issue: Should Qwest be required to show a track record of obtaining CLEC authorization before closing tickets and of applying the accurate closing codes?

A. Parties Positions

203. According to Eschelon, as discussed with respect to Issue Number 12, a review of the bills has been made possible recently after more information was obtained from Qwest. That review shows that Qwest is not properly obtaining authorization for and applying accurate codes when closing tickets. *See* Issue 12.

204. Qwest responded to this issue in its initial five-state filing with the FCC.

> "In the initial OSS Declaration, Qwest explained why its performance was satisfactory and described recent improvements implemented through additional training and ongoing field coding process audits. An updated audit of Qwest trouble codes (through June 2002) shows continued aggregated performance on average of 95+%.[8]
>
> Eschelon claims that Qwest sometimes closes trouble tickets without contacting Eschelon for authorization or with incorrect cause and disposition codes. Qwest addressed the issue of incorrect cause and disposition codes above. Contrary to Eschelon's comments, Qwest attempts to notify its customers and follows the same process for its Retail and Wholesale operations when closing a trouble ticket. To the extent Eschelon has not received such notification, Qwest cannot address the particular reasons without further specifics.[9]
>
> The process for customer notification is dependent on the type of service (designed or non-designed). But either way, Qwest attempts to notify the customer. For non-designed trouble tickets (including non-designed resale and UNE-P POTS), the technician that resolves the trouble also closes the ticket. The technician attempts to contact the customer when closing the ticket. If the customer cannot be reached, a voice mail message is left (if possible) and the ticket is closed. Customer notification is dependent on availability at the customer provided call back number. In addition, for trouble tickets opened through the electronic M&R interface (CEMR), notification is automatically sent (either through e-mail or fax) when the ticket is closed.[10]
>
> For designed services, which are generally more complex, Qwest uses a MCO to manage all designed service trouble tickets (both Wholesale and Retail), including trouble tickets for unbundled network elements. The MCO technician manages the closure of these trouble tickets, including attempting to contact the customer. If the CLEC is not available at the time of closure, the MCO technician will wait up to 24 hours after attempting to contact the customer to coordinate closure. If there is no answer, the MCO technician will leave voice mails with the contact person noted on the trouble report. The trouble ticket is placed in a "No Access" status while Qwest awaits the customer's response. The trouble ticket is closed if no response is received from the customer within 24 hours."[11]

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[8] Qwest ROC I Reply Declaration at ¶ 158.
[9] Qwest ROC I Reply Declaration at ¶ 159.
[10] Qwest ROC I Reply Declaration at ¶ 160.
[11] Qwest ROC I Reply Declaration at ¶ 161.

B. Staff Discussion and Recommendation

205. The OSS test did not identify a problem with this issue although CGE&Y's Data Reconciliation Report did find problems with disposition coding. Qwest in fact agreed with CGE&Y that of the troubles presented in Table 2.6 of CGE&Y's report, incorrect Disposition "Codes were placed on 7 of the 11 trouble reports. CGE&Y recommended that Disposition code accuracy be improved by incorporating trouble history into Qwest's ongoing disposition code audits, as it goes beyond the scope of Disposition Code accuracy by including repair quality in the review. According to Qwest, MR-7 already appropriately measures Qwest's repair quality. CGE&Y also recommended that Qwest use the same process for non-designed tickets as it uses for designed tickets.

206. In Qwest's Reply to CGE&Y's Data Reconciliation Report, Qwest maintained that its disposition code audit process, as well as the focus on Disposition Code accuracy as part of a technician's performance review, creates awareness of the importance of accurately coding troubles with the most accurate information available to the technicians at the time the ticket is closed. If incorrect Disposition Codes are discovered through this audit process, or during the individual technician's performance review process, a review of proper process and procedures occurs. In addition, Qwest is investigating the accuracy and reliability of its current disposition code audit process and application. Results of this investigation will be used to determine if changes need to be made to this process with increased focus on accuracy.

207. Qwest also stated that its procedure for the closure of nondesigned trouble tickets is the same for retail customers as it is for CLECs. The network technician attempts to contact the customer (either the retail customer or the CLEC) when the ticket is closed. If the customer cannot be reached, the technician leaves a message and closes the ticket. It also stated that Eschelon had made a request similar to CGE&Y's recommendation to use the same process for non-designed tickets as it uses for designed tickets in the CMP. However, after fully analyzing Eschelon's request, Qwest concluded that changing the process as requested simply was not feasible, and Qwest denied the CMP request.

208. Due to the shear volume of non-designed trouble requests, Qwest also claims that it is not practical to use the same process that Qwest uses to close designed trouble tickets. Qwest has investigated other methods of addressing Disposition Code accuracy, and has found that the potential solutions cause further network disruptions. Qwest also states that CGE&Y's proposal could significantly impact network efficiency as well as falsely inflating the time that it takes to close a repair. Qwest's current process currently states that the customer is notified at closure as to what is discovered, and that the ticket is to be closed. The difficulty with an affirmative response is availability of the customer. Many tickets are closed with voicemail notification to the CLEC. In addition, the CLEC may not have dialog with the end user before closing a ticket. This is an additional piece of information that would help the technician in accurate coding. However, Qwest does not speak directly to the end user customer of a CLEC. Additional steps could negatively impact all customers. In addition, adopting CGE&Y's proposal would necessitate lengthening maintenance intervals for both CLECs and retail customers – a result that, according to Qwest, is clearly not in the public interest. Qwest also claims that its process is the same process followed by other BOCs.

209. Because there has been no practical solution proposed to-date, but Qwest has agreed to further examine this issue and ways to improve its current processes, Staff recommends that the Commission request that Qwest provide through a filing in this Docket the findings of its review and its plans to improve Disposition Code Reporting. This filing should be prior to the six month PAP review. Imposing a less than practical solution as an interim measure is not warranted in light of the weekly audit results reported by Qwest which reflect a greater than 95% accuracy rate.

6. <u>BILLING ACCURACY</u>: *See* Ex. 17; Tr. Vol. I, pp. 223-28; Vol. II, pp. 340-45; Ex. E-9 pp. 22-24; Ex. E-D, pp. 51-59; *see also* Ex. 9, pp. 18-19.

210. Eschelon raised five sub-issues regarding Billing Accuracy, as follows:

a. Does the current billing accuracy measure accurately reflect Eschelon's experience?

b. Should the billing measure be revised and expanded?

c. Should Qwest be required to correct the inaccuracies in Eschelon's bills?

d. Must Qwest provide adequate notice, including detail to substantiate the changes and time for objection if Eschelon disagrees with the proposed changes, before making rate and profile charges?

e. Once issues (including long-disputed issues) are resolved in a CLEC's favor, should the performance results be adjusted to reflect the resolution?

A. <u>Parties Positions</u>

211. Qwest responded to these issues with the response it filed with the FCC on this Eschelon Issue:

> "Eschelon makes numerous claims regarding inaccuracies in its bills. Qwest's investigation of Eschelon's claim, however, indicates that most are not related to system-wide defects in Qwest's billing functions. Furthermore, many of Eschelon's listed claims involve insignificant dollar amounts. In fact, the total dollar amounts in dispute constitute 0.98% of Eschelon's total billed charges for May 2002 in Colorado. Lastly, Eschelon filed disputes for which Qwest sustained the charges because they were properly included on Eschelon's bill. For those disputes that remain open, preliminary investigation suggests that many of these disputes will be resolved in Qwest's favor."[12]

212. Further in response to the last bullet above, Qwest points out that the billing accuracy PID, BI-3, is designed to capture the effects of billing adjustments for error in the reporting month in which the adjustments occurred, regardless of when the original billing took place. Thus, it would be non-compliant with the current PIDs as accepted by the parties to adjust past reported results, when the actual adjustment took place in the month it is implemented.

[12] Qwest ROC I Reply Declaration at ¶ 241.

B. Staff Discussion and Recommendation

213. Staff agrees that billing accuracy is a very important issue. For this reason, considerable time and effort in the OSS test was devoted to billing issues. As a result of the original OSS test findings, CGE&Y was requested to do some retesting. Several billing problems were identified during testing and corrected. At the conclusion of the test all billing issues identified had been corrected.

214. At the workshop, the major issues presented for discussion appeared to be unique billing issues related to Eschelon and McLeod special product (UNE-E and UNE-M) billing. This special billing arrangement was agreed to between Qwest and these CLECs. Nonetheless, the billing problems continue to arise because Qwest has not yet converted to a mechanized billing process, something it told both Eschelon and McLeod it would do. In its December 16, 2002 letter, Qwest attorney Andrew Crain reiterated that Qwest's commitment at the July 2002 Eschelon Workshop was to provide mechanized billing for UNE-E orders by the end of last year. Mr. Crain stated that Qwest has fulfilled that commitment and will begin mechanized processing of bills for new orders, adds, and changes on December 20, 2002.

215. Qwest however also stated that "[c]onverting the embedded base of accounts is a separate issue with an involved history." It went on that it initially planned to convert Eschelon's accounts with another provider's accounts using a mechanized process due to the combined volume of accounts. Ultimately, the timing for the other CLEC's conversions was delayed, and mechanical conversion of only Eschelon's accounts was not economically feasible because those accounts amounted to only about 2% of the combined total. Qwest offered Eschelon a solution for converting Eschelon's orders, but Eschelon directed Qwest not to proceed because Eschelon claims that the impacts were too great. But, according to Qwest, those impacts are not a result of the solution Qwest has proposed. The systems Eschelon claims would be impacted by Qwest's conversion solution are systems that would need to be updated by Eschelon regardless of whether the conversion is mechanized or manual. Thus, the impacts Eschelon identified are the impacts that arise from the act of conversion itself. According to Qwest, these impacts are reasonably expected from any conversion activity and are not specific to Qwest's proposed solution.

216. Until the issue with embedded accounts is resolved, Qwest should be required to count these as an error or an inaccurate bill for purposes of calculating its billing measurements. Qwest and Eschelon should also be required to provide the Commission Staff with additional information regarding the issues involved with converting Eschelon's embedded accounts and provide a mutually agreed upon resolution within 90 days.

7. SWITCHED ACCESS: *See* Ex. E-9, pp. 25-26; E-D, pp. 60-62; Tr. Vol. I, pp. 230-31.

Eschelon Issue: Should the Commission further investigate whether Qwest is providing complete and accurate records from which CLECs may bill interexchange carriers access charges (and whether Qwest's performance in this regard is accurately measured)?

A. Parties Positions

217. Eschelon advised that results of a recent audit show that, for direct dialed originating and terminating and 800 origination calls, Eschelon did not receive approximately 16% of the test calls from Qwest. The missing calls percentages rise for specialty calls, such as directory assistance access calls, operator handled and 1010XXX calls. So, the total percentage is approximately 18%. Sufficient basis exists for re-examining this issue.

B. Staff Discussion and Recommendation

218. Staff agrees with Eschelon that this was an area of major concern. Staff was very concerned about the results of the original test of DUF (Daily Usage File) in the OSS test. CGE&Y was requested to retest the accuracy of DUF records furnished to CLECs. The results of this retest were published in a special supplemental report by CGE&Y dated April 24, 2002 titled Final Report of the Qwest OSS Test-Section 2.4.5, Revised April 24, 2002. The conclusion of this report is as follows:

> "CGE&Y concludes the following regarding the generation of DUF records. Usage records were generated to the new co-provider beginning with usage occurring the day after the conversion date, as expected. The accuracy of the Indicator 4 value improved from 73% in the initial test to 93% in Retest 1 and to 100% in Retest 2. Qwest implemented system fixes to resolve processing errors that prevented switched access call records from being reported on the ADUFs. After Retest 2, CGE&Y received 100% of ADUF records for which Qwest had received an access record from the Inter-Exchange carrier and 100% of expected ODUF records.'

219. Although now corrected, because of the problems encountered during the OSS test with DUF records, Staff has recommended that a retest of DUF records be conducted within twelve months. Qwest has agreed to this recommendation and advises that it will comply.

220. Staff believes that the problems with DUF have been tested and corrected. The retest requested by Staff should provide evidence as to whether the problems continue to be corrected on a going forward basis, or whether additional action by the Commission is necessary.

8. STAND ALONE TEST ENVIRONMENT (SATE)

Eschelon Issue: The impasse relates to those products that are in Qwest's production environment but not in SATE. The specific disagreement is whether it is proper to add those products to SATE employing the CMP prioritization process, or Qwest is obligated to add those products outside of the CMP prioritization process and by a date certain.

A. Staff Discussion and Recommendation

221. This item was a TAG impasse issue in Arizona and not just an Eschelon issue.

222. Qwest submitted a compromise position to the Arizona TAG on this impasse issue on September 16, 2002. Qwest proposes that those products can be implemented into SATE after the

volume of CLEC use for each of the relevant product(s) reaches (total region) 100 transactions during the prior twelve (12) month period. Under this proposal, Qwest will run a production query -- like the one it proposes to determine what product/activity combinations should be in the upcoming execution of PO-19B -- to determine whether any of the products not currently in SATE reflect EDI volume activity of 100 transactions or more in production. The implementation of those products into SATE will then be scheduled for the upcoming major SATE release if feasible; or if not feasible, then no later than the next major SATE release. (See Qwest's Response to AT&T's Comments on Hewlett Packard's Recommendation on PO-19B Impasse Issue and Recommendation Regarding SATE Products Impasse Issue filed September 16, 2002).

223. The Qwest proposal resolved the Arizona TAG impasse since it satisfied the CLEC concerns. Staff believes this issue is therefore resolved.

VII. Verification of Compliance

224. With Staff's recommendations as to the resolution of all impasse issues as described above, Staff believes that all outstanding issues raised in the Supplemental Workshops in Arizona have now been resolved. Qwest should be required to provide evidence that it has implemented Staff's recommendations. This evidence and the effectiveness of the recommendations will be reviewed at the first six months PAP review.

225. Staff deems the OSS Test portion of Qwest's Section 271 initiative to be complete. In Staff's opinion, with the above resolutions of the issues presented, all of the objectives of implementing a comprehensive independent Third Party administered OSS Test have been fulfilled.

II. CONCLUSIONS OF LAW

1. Qwest is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. Sections 40-281 and 40-282 and the Arizona Corporation Commission has jurisdiction over Qwest.

2. Qwest is a Bell Operating Company as defined in 47 U.S.C. Section 153(a)(35)(B) and subject to the prohibitions and permissions contained in 47 U.S.C. Section 271 that expressly pertain to Bell Operating Companies.

3. Qwest has sufficiently demonstrated before this Commission that it satisfies all requirements, relative to OSS Testing, and results thereof, specified by the FCC for Section 272 applicants in CC Docket No. T-00000A-97-0238.

B

IN THE MATTER OF QWEST COMMUNICATION, INC.'S SECTION 271 APPLICATION

ACC Docket No. T-00000A-97-0238

STAFF'S FINAL REPORT AND RECOMMENDATION

ON

JULY 30 – 31, 2002 SUPPLEMENTAL WORKSHOP

(REPORT TWO)

JUNE 20, 2003

I. INTRODUCTION

1. The Purpose of this Report and Recommendation is to provide Staff's recommendations on the checklist related impasse issues raised by the parties in the Supplemental Workshop conducted by the Arizona Corporation Commission (ACC) Staff on July 30 and 31, 2002. This Workshop was held in order to give parties to the Qwest Section 271 proceeding in Arizona, who were precluded from actively participating in the process through agreements with Qwest, and who believed there were unresolved issues resulting from this non-participation, an opportunity to voice the issues, and for Qwest to respond.

II. BACKGROUND

2. As stated in the Supplemental Staff Report and Recommendation concerning the 271 proceeding, four parties including XO, Eschelon, Z-Tel and McLeod had agreements with Qwest which acted to limit their participation in the Commission's 271 proceeding. Two of these carriers, Eschelon and McLeod, stated that they had unresolved issues as a result of agreements with Qwest. AT&T, WCom and Covad raised concerns about the non-participation of certain parties and with the resulting impact on the 271 record.

3. Staff held a Workshop on July 30-31, 2002, to address the concerns of parties, including Eschelon and McLeod who believe they have been precluded from raising issues due to their agreements with Qwest. Other parties were allowed to participate to the extent they had issues which arose from the new evidence presented.

4. In late June or early July Staff sent two sets of Data Requests to the approximately 80 carriers that are certified as CLEC's in Arizona, as well as to the parties to this docket and the 252(e) proceeding. Staff received responses from 44 of the 55 operating companies which could respond and contacted as many remaining carriers who did not respond as possible. No carrier contacted indicated that it did not respond because of any agreement written or oral with Qwest. In the Data Requests Staff asked whether the carrier had entered into any agreements with Qwest, either written or oral, which had precluded the carrier from participating in this proceeding. If the answer was "yes", the carrier was asked whether there were any issues that had been precluded from raising that had not yet been resolved through the participation of other parties.

5. Three responding CLEC's stated that they had entered into agreements that limited their participation in the Qwest Section 271 proceeding.1 The only CLEC that answered with an unqualified "yes" was Eschelon. Eschelon's Data Request Response to question four of Data Request No. 1 provided substantial comment on the fact that they had a signed unfiled contract in which they had agreed not to oppose Qwest in their 271 proceedings at the State Commission. A total of four CLEC's responded that they were aware of 271 issues that they believed were not adequately addressed in the Arizona proceedings as a result of Qwest's unfiled agreements with CLECs. WCom, AT&T and Covad answered Yes to Question four of Data Request No. 1. Of these WCom answered generically, and AT&T and Covad answered Yes because they believed Eschelon had issues that were not adequately addressed. Thus Eschelon was the focal point for responses concerning issues that were not all resolved satisfactorily. Eschelon went on to state that since they could not participate, they did not know whether all issues had been addressed.

6. Both Eschelon and McLeod raised issues during the workshop which they claim they had been precluded from raising during the course of the Arizona 271 proceeding because of written and oral agreements with Qwest respectively.

7. Eschelon raised a series of issues relating to Qwest's commercial performance. Eschelon's list of unresolved issues is summarized in its filing with the FCC on Qwest's five state application, included the following:

a. A Release 10.0 change was preventing CLEC-to CLEC Orders
b. Any telephone number coming from a 1FB with CCMS (Customer Calling Management System), Centrex 21, Centrex or Centron for conversion to UNE-P or Resale Pots will not flow through
c. The GUI process is cumbersome and will remain so as long as it continues to rely on so many manual processes
d. Qwest is dispatching technicians for orders that do not otherwise generally require a dispatch
e. Qwest does not have back end system records containing the DSL technical information needed for repair of Centron/Centrex Plus lines with DSL
f. Eschelon experiences inordinate delay when Qwest disconnects the customer's DSL in error.
g. When Eschelon converts a customer from Qwest to Eschelon, Qwest at times disconnects the customer's DSL early.
h. Qwest has no process to migrate an existing CLEC customer (e.g., on resale or UNE-Star) with DSL to UNE-P without bringing the DSL service down. Outages of Qwest's ordering tool must be incurred to obtain information needed by Eschelon to complete DSL installations.
i. When Qwest provides repair services to its retail customers, Qwest provides a statement of time and materials and applicable charges to the customer at the time the work is completed, but does not do so for its wholesale customers.
j. There have been instances where Qwest is providing a US WEST branded statement to Eschelon's end-user customers and requires them to sign it.

[1] While only three CLECs indicated in their responses to Staff Data Requests that they had entered into agreements with Qwest that limited their participation to some extent in the 271 case, Staff also found an agreement between Qwest and XO with similar provisions.

Eschelon is not receiving timely bills for maintenance charges.

k. Qwest does not include sufficient information on its bills for Maintenance and Repair work. For instance, Qwest does not include circuit identification information in Eschelon's bills and also does not include the date of the dispatch or trouble repair.

l. Qwest closes trouble tickets without authorization and with the incorrect cause and disposition codes.

m. Eschelon incurs additional testing charges due to Qwest's use of pair gain.

n. Eschelon and other wholesale customers do not receive accurate customer loss information. Qwest's retail side does receive accurate customer loss information.

o. There is inadequate notice of rate and profile changes

p. Qwest charges rates that are not in Eschelon's Interconnection Agreements

q. There are problems with billing accuracy.

r. There are problems with Qwest changing its PID reporting procedures without adequate notice to the CLECs

s. Qwest was not providing complete and accurate records to Eschelon to bill interexchange carriers access charges.

t. There are Collocation Issues

u. There are CMP problems

v. There are tandem failure events

8. McLeod USA raised the following issues:

a. Qwest's failure to bill McLeod USA correctly under its Fourth Amendment to the Interconnection Agreement;

b. Qwest's failure to make payments required under various agreements;

c. Other performance issues that arise in the workshop discussions.

9. As stated earlier in this report, AT&T, WCom and Covad all expressed concern with the record given the unfiled agreements and the non-participation of certain parties. Further, AT&T raised certain questions during the July 30-31, 2002 Workshop concerning Cap Gemini Ernst & Young's responses to the Data Requests which Staff had provided them.

10. Staff issued its Report and Recommendation on OSS related issues arising from this Workshop earlier this year.

III. GENERAL POSITION OF THE PARTIES

11. This section presents the positions offered by each of the parties during the July 30-31, 2002 Workshop.

a. Eschelon's Position

12. Eschelon's witness stated at the beginning of its opening presentation that their effort would be to provide an idea of what its like to do business in Qwest's territory and what the end-user customers experience is. She pointed out that if you look at whether the CLEC customer is going to change carriers initially you need to look at their experience and how much of that experience was driven by Qwest. If the experience is adverse and the CLEC customer switches back to Qwest, she pointed out that this harms the CLEC's reputation and makes it harder to do business in the geographic area. She raised the question that if that's the case, is this the time to allow Qwest into the long-distance market, since by definition the local market really is not truly open?

13. She raised a concern about dealing only with issues, as Qwest suggested, that happened in a past time period. She was concerned also that Qwest would be given an opportunity to demonstrate what the CLEC experience is right here and now, and the opportunity to introduce new evidence to shore up its weaknesses. Concurrently, she pointed out that it was her understanding that Qwest is attempting to send a message that it doesn't want to hear from its Number 2 CLEC wholesale customer concerning its experience today.

14. Eschelon's witness stated that it was her plan to raise issues in this proceeding that were originally introduced in September of 2000 and go over the ones that are still problems today. She pointed out that Eschelon's problems have continued over a period of time, that they are persistent and should be taken care of. She included manual handling of orders, since much of Eschelon's transactions are manually handled and should be measured in order to measure the end-user customer experience. She also pointed out that as far as the end date of the agreement in which Eschelon agreed not to participate, that virtually everything was closed by then (March 4, 2002). Further, she pointed out that it was extremely difficult to participate following March 4, not knowing all the history in between November 2000 and March 2002. She agreed that this Workshop was not intended to deal with Public Interest issues and not intended to deal with unfiled agreements.

15. Eschelon's witness referenced the letter dated November 15, 2000 that restricted Eschelon's participation in the 271 proceeding. She said that the letter stated that during the development of the plan and thereafter, if an agreed upon plan is in place by April 30, 2001 Eschelon agrees to not oppose Qwest's efforts regarding 271 approval or to file complaints before any regulatory body concerning issues arising out of the interconnection agreements. She stated that this represents that there certainly was an agreement to not participate in the 271 proceeding. She further stated that although Qwest had indicated that PIDs are not an issue in the Workshop, Eschelon has been measuring performance, and plans to review that for the participants in the Workshop. She stated that the workshop participants will have to decide whether or not Eschelon's measurement of Qwest's performance has implications for the PIDs. She further stated that the PIDs are not a closed issue in Eschelon's mind. She cited PID PO-19B, which is a new measure that is being created with respect to SATE. With that, Eschelon concluded its introductory comments.

16. Eschelon entered 21 Exhibits into the Record and stated that it would walk through its issues referencing these exhibits. They planned to start by reporting back where we were on the issues raised in September of 2000, and referencing Exhibits E-1 through E-4 as a part of that discussion. Following this they planned to move to the Eschelon report card, which is covered by Exhibits E5 through E8. From this they planned to move to the comments that Eschelon filed with the FCC, as a way to go through the material.

17. Eschelon's witness pointed out that the company operated in most of Qwest's major metropolitan areas, including Phoenix, Salt Lake City, Denver, Portland, Seattle, Minneapolis and some other Tier II Markets. She stated that Eschelon is about 75% on-net provisioning today and 25% off-net. She followed up with the statement that the 25% off-net is now UNE-P. In the spring of this year Eschelon moved to ordering UNE-P (again) following a period in which they ordered UNE-E. She stated that they would talk today about the issues Eschelon is having with UNE-P, all issues that were raised in September of 2000, and which still exist.

18. Eschelon commented that they wanted to come to the workshop and be heard. They couldn't undo the fact that they hadn't been here for two years. But first Eschelon's witness stated that they have to explain what they did, and why they did it. She pointed out that the second part of the presentation which included Exhibits Five through Eight, are the report card measures, and a description of how Eschelon has calculated them, to describe how Qwest has performed over time. She pointed out that it was necessary to make sure that both sides had full knowledge of what the other side has been doing over the past two years.

b. McLeod's Position

19. McLeod offered brief introductory comments, stating that their representatives were present because, in spite of McLeod's agreement to remain neutral in the 271 proceeding, that agreement was premised on Qwest complying with all agreements that they had with McLeod, and McLeod representatives don't believe that Qwest did comply with all McLeod agreements. He further stated that McLeod's issues are pretty similar and a subset of the issues that Eschelon plans to discuss. They relate to McLeod's UNE-STAR product (called UNE-M) and the failure to bill appropriately and to actually provision the product as it is intended to be provisioned. This concluded McLeod's comments.

c. Qwest's Position

20. Qwest's witness stated at this point that rather than orally rebutting Eschelon's issues point-by-point, that it had filed pleadings with the FCC that addressed most of Eschelon's points and would rely on that. He also stated that they had been sent out by E-mail to all of the parties in this proceeding. He further stated that Qwest was planning to put together a presentation, addressing the issues that it thinks need to be addressed in addition to those which Qwest has in its federal filing. Further, he stated that they could present witnesses to talk about collocation issues as well. He suggested that we try to identify issues that we think we can work through and see if we can get resolution, although this would not require necessarily going through every issue for which both sides want to put evidence on the record. He suggested this be done the following day.

21. A discussion concerning the availability of Qwest's FCC filing ensued. In a discussion off the record it was determined that copies could be made available at the end of the session.

IV. IMPASSE ISSUES

22. Fifteen of the issues presented at the July 30-31, 2002 Workshop related to Checklist Items 1 and 2. Following are the parties' positions on each of the Checklist Item 1 and 2 Impasse issues and Staff's proposed resolutions of each.

A. UNE-P FEATURE AVAILABILITY – REMOTE ACCESS FORWARDING[2]

1. Is Remote Access Forwarding an Advanced Network Architecture (AIN) feature of the type that Qwest need not unbundle in reliance on paragraph 419 of the FCC's Unbundling (UNE Remand) Order?

2. Alternatively, if Qwest is allowed to treat Remote Access Forwarding as an AIN feature unavailable with UNE-P: Should Qwest be required to provide to CLECs a list of switches for which Remote Access Forwarding (and other switch features that Qwest claims are not otherwise available to CLECs) is activated?

a. Eschelon's Position

24. One of the more significant long-term problems Eschelon has been having with Qwest is with regard to feature availability. According to Eschelon, Qwest has been giving it contradictory information with respect to the availability of a feature known as Remote Access Forwarding. At the Workshop Eschelon's witness stated that a Qwest representative had previously stated that a CLEC would be able to obtain this feature and so was not an issue; however Eschelon believes Qwest is refusing to provide it with this feature. She further stated that this is a switch feature which Eschelon has been requesting since 2000, but which it still has been unable to obtain. Eschelon's witness stated that its customers want this feature. Further, it affects the volume of orders which Eschelon can migrate to UNE-P. She stated that this is a significant issue for Eschelon.

25. Eschelon also discussed AIN features in general and the difficulty of determining which features are available and which are not available with UNE-P. One of the difficulties, as described by Eschelon, is the lack of a definition by Qwest as to which features are not available because they are categorized as AIN features. Eschelon's witness stated that you must plan a product before you can offer it to your customers, but if you don't have a clear defined list of what is available, it makes it difficult to determine whether to migrate customers to a product that will save them money, or to put a new customer on the product. This inability to plan a product is a major issue for them.

26. Eschelon's witness agreed that there is much more documentation of features on the web-site now than there was in the year 2000. However, the difficulty is that the listings on the web-site do not necessarily concur with statements made to Eschelon representatives by Qwest representatives. Thus, Eschelon states that although there has been significant improvement, the issue has not been completely resolved

[2] *See* Ex. E-D, pp. 15-18 (Ex Parte Comments of Eschelon Telecom, Inc. In Opposition to the Consolidated Application of Qwest Communications, *In the Matter of Qwest Communications International, Inc. Consolidated Application for Authority to Provide In-Region, InterLATA Services in Colorado, Idaho, Iowa, Nebraska and North Dakota* (Qwest I) FCC, Docket No. 02-148 (Aug. 15, 2002) (Eschelon's Ex Parte Comments); *see also* Ex. E-1, pp. 3-4; *see also* Tr. Vol. I, pp. 181-84; Vol. II, pp. 304-05, 309, 313.

27. Eschelon proposes that Qwest must provide Remote Access Forwarding with UNE-P. Remote Access Forwarding is not a proprietary AIN feature. It is part of the features, functionalities, and capabilities of the switch that are included in the cost of the switch port. Qwest cannot move a feature that would otherwise be available to CLECs through UNE-P to the AIN platform to avoid its obligation to provide the features of the switch to CLECs while providing the feature to its own customers.

28. Eschelon pointed out that Qwest testified that "if Qwest used a switch-based feature prior to AIN development, we would not deactivate the feature." Tr. Vol. II, p. 313, lines 15-16. CLECs should not have to experience the delays associated with the Special Request Process to obtain features that are activated in the switch. Such features are supposed to routinely come with the switch port.

30. The Eschelon witness raised the question as to whether or not in October of 2000, a feature of remote access forwarding through the USOC AFD, was available according to the ICONN database. She also asked whether or not if it showed up in the ICONN database it is a feature functionality and capability of that switch.

b. <u>Qwest's Position</u>

31. Qwest responded that Eschelon's position is based on three mistaken assumptions. First, Qwest's Remote Access Forwarding ("RAF") is AIN based, not switch-based. While a similar switch-based feature may be available, Qwest's current product offering is AIN-based. Second, Eschelon is mistaken when it asserts that Qwest provides switched-based RAF to its own customers. Third, in para. 491 of the UNE Remand Order, the FCC simply held that AIN service software should not be unbundled when the ILEC makes its AIN platform or database, Service Creation Environment, SMS, and STPs available for CLECs to develop their own AIN products. The FCC makes no mention of any exception to this holding for an AIN feature that is similar to a switch-based product an ILEC may have offered in the past.

32. Qwest described its UNE-P product catalogs ("PCATs") and stated that in the general information PCAT, Qwest includes a list of the features that are unavailable with UNE-P, including AIN products, voice messaging products, feature products, etc. The features are provided by USOC, and there is a language description for each one. Features available with products are also detailed, in each one of the individual PCATs, by USOC and language. Qwest's witness committed to check on the availability of the features Eschelon specifically inquired about, which included five USOCs, by convening Qwest's core team, reviewing their availability, and updating the available documentation as necessary, and funnel that through the CMP process. He stated that Qwest would distribute a notice through CMP channels, and file that as late-filed Exhibit Qwest-4.

33. Finally, CLECs have access to vertical switch features that are loaded but not activated, as detailed in SGAT section 9.11.4.3. Also, even though the FCC has held that ILECs are not required to load unloaded vertical switch features for CLECs, Qwest has voluntarily agreed to load unloaded vertical switch features for CLECs in SGAT section 9.11.4.4.

9.11.4.3 Vertical features that are loaded in a Switch, but not activated, shall be ordered using the Special Request Process set forth in Exhibit F. Qwest will provide the cost and timeframe for activation of the requested vertical feature(s) to CLEC within fifteen (15) business days of receipt of the Special Request.

9.11.4.4 Vertical features that are not loaded in a Switch shall be ordered using the Special Request Process set forth in Exhibit F. Qwest will provide information to CLEC on the feasibility of providing the vertical feature(s) within 15 business days of receipt of the Special Request.

c. Staff Discussion and Recommendation

34. At the time of the workshop, this was a critical issue for Eschelon and Staff is not aware that the issue has been resolved to-date. Qwest is currently providing Remote Access Forwarding and at least 3 other AIN features to Eschelon as part of UNE-Star or UNE-E. However, Qwest claims that because the Remote Access Forwarding it is providing is AIN based, that under FCC rules, it is not required to make proprietary AIN features available, and therefore, Eschelon cannot demand this feature when it converts its UNE-E customers to UNE-P. Qwest is willing to make the comparable switch-based features available (where they are already loaded in the switch) to Eschelon with UNE-P as long as Eschelon pays activation and testing fees.

35. In response to its take back, Qwest stated that Remote Access Forwarding as a switch-based feature is not activated on any of Qwest's switches. Remote Access Forwarding is loaded on the Nortel DMS100 switches, however, since it has never been offered as a switch based feature by Qwest it would need to be activated and tested. Qwest gave conflicting information as to whether Remote Access Forwarding is loaded on the Lucent 5ESS switches. The testimony of its witness during the workshop was that it was an inherent feature in the Lucent 5ESS switches; however, in its response to a take-back item, it stated that the feature was not loaded on any of its 5ESS switches. If this is the case, arguably Qwest would not have to make the feature available on its Lucent 5ESS switches.

36. The following additional information was provided by Qwest in Late Filed Exhibits in response to issues raised by Eschelon:

> **Features in the ICONN database:** Features listed on the ICONN database are features currently available to Qwest retail subscribers and are listed by USOC. Some of these features are Qwest AIN services that mirror a switch based feature. In the cases where Qwest is using the AIN feature, what is listed in the ICONN database is the AIN feature USOC. Switch based features that mirror AIN services can be requested via the Special Request ("SR") process.[3]

[3] Qwest's Late-Filed Exhibit A.

SRP for activation of AIN features: The Optional Features section of the PCAT (http://www.qwest.com/wholesale/pcat/unep.html) will be updated to clarify the language to clearly provide links to the ICONN database, SRP PCAT, updates the downloadable 'USOCs Not Available with UNE-P' ('Features Unavailable with UNE-P'). This update will be completed by the end of August and will follow the CMP level 1 change guidelines.[4] Additional information is available in Attachment 1, entitled USOCs Not Available with UNE-P Products.xls.

37. Qwest also indicated that the updates to the PCAT discussed by the parties in the workshop were completed on August 27, 2002.

38. Staff examined the FCC Orders relied upon by the parties to support their respective positions. The FCC found that AIN service software qualified as a proprietary network element, and therefore, should be analyzed under the "necessary" standard. The FCC's interpretation of the "necessary" standard requires a determination, after taking into consideration alternatives outside the incumbent's network, whether lack of access to that element would, as a practical, economic, and operational matter, preclude the requesting carrier from providing the services it seeks to offer. Qwest relies upon para. 419 of the UNE Remand Order to support its position that it should not have to provide AIN based RAF to Eschelon. In para. 419, the FCC stated that because it was unbundling the ILECs' AIN databases, SCE, SMS and STPs, requesting carriers that provision their own switches or purchase unbundled switching from the incumbent will be able to use these databases to create their own AIN software solutions. The CLECs therefore would not be precluded from providing service without access to it.

39. Eschelon does not dispute that Qwest is not obligated under FCC Orders to provide "proprietary" AIN features as an unbundled network element. In the instant situation issues arise as to whether the FCC intended to classify all AIN based features as proprietary or whether it intended that only select AIN features would fall under this classification if they had "proprietary" characteristics. No evidence was provided by any party on this issue; i.e., in particular by Qwest demonstrating that the features at issue here are indeed proprietary. Staff does not believe, however, that it is necessary to address this issue for purpose of deciding the instant impasse issue.

[4] Qwest's Late-Filed Exhibit A.

40. While Qwest is not obligated to make proprietary AIN features available to CLECs as unbundled network elements, nothing precludes Qwest from voluntarily agreeing to make certain of these features available to CLECs in its interconnection agreements. Once Qwest makes them available to one carrier, it must make them available to other carriers under the opt-in provisions of the 1996 Act. Staff has reviewed the amendments to Eschelon's interconnection agreement with Qwest dated July 31, 2001. While both of those amendments contain a listing of the features Qwest agreed to make available to Eschelon on a flat-rated basis with UNE-P, one of the amendments was entered into to amend the monthly recurring charges provided in connection with UNE-P and the features available on a flat-rated basis with UNE-P and the other was entered into to establish non-recurring charges for UNE-P. See Exhibits A and B attached. Both amendments, as well as the attachments, list the features available with UNE-P as including the following four AIN features at retail rates: Remote Access Forwarding, Scheduled Forwarding, Dial Lock and Do Not Disturb. Therefore, Staff finds that in looking at the plain language of these amendments and accompanying attachments, Qwest's agreements incorporate provisions which obligate them to make available to Eschelon at retail rates the four AIN features listed above.

41. Moreover, even though the plain language of the agreements is unambiguous, if Qwest could argue that it only intended to provide the features in connection with UNE-E; Staff believes that this would be discriminatory to other CLECs. There is no reason for Qwest to make AIN features available to some CLECs on a platform basis but not others. Staff believes that the discrimination provisions of the Federal Act are intended to prevent this very type of conduct by the BOC. In addition, because Qwest has committed to make voice mail available to CLECs in Minnesota with UNE-P, Staff believes that Qwest should also be required to make this feature available to CLECs in Arizona which desire this feature with UNE-P.

42. Finally, in addition to having the option of obtaining the AIN features at retail rates with UNE-P; Qwest must still make available the option of allowing CLECs to elect the switch-based features at cost based or TELRIC rates. In summary, Staff finds in favor of Eschelon on this issue.

3. Should Qwest be allowed to charge CLECs right to use fees for activating Remote Access Forwarding, when Qwest unilaterally chose to provide the feature through AIN instead of spreading the cost of any such fees across all users? *See* Ex. E-D, p. 17

a. <u>Eschelon Position</u>

43. Eschelon points out that if there are no proprietary or other restrictions on an incumbent's ability to choose between providing a feature through the switch or through an AIN platform, the incumbent has an incentive to use the AIN platform to prevent competitors from winning customers who desire those features. If Qwest pays a right to use fee, it both has economies of scale that justify the cost and has the ability to recover the costs through recurring rates. In fact, some of those costs may already be accounted for in the recurring switch port rate. If, however, Qwest may choose to provide that same feature through an AIN platform, regardless of whether it is proprietary, small carriers without those same economies of scale are effectively precluded from providing through UNE-P the same feature that is available to Qwest retail customers.

b. **Qwest Position**

44. Qwest responds that if Qwest uses AIN technology to provide services to its retail end user customers, it is under no obligation to make those AIN-based services available to CLECs purchasing UNE-P combination service. If a CLEC chooses to request that Qwest activate a switch-based service that is not currently available in Qwest's switch, there would be costs to perform such work. Such costs would be identified when a Special Request for loading or activating a switch feature or service is received from the CLEC and processed by Qwest. See Arizona SGAT at Section 9.11.4.4.

c. **Staff Discussion and Recommendations**

45. Once again, Eschelon raises some legitimate concerns. The process Qwest refers to is the SGAT agreed process, nonetheless the process itself does not directly address the specific concerns raised by Eschelon.

46. First Eschelon is concerned because it has no way of knowing whether Qwest's claims that a feature that has been available in the past, is actually a proprietary AIN feature as Qwest claims, such that Qwest no longer has to make it available are accurate, or whether Qwest is simply trying to get additional fees from the CLECs through activation and testing charges. Second, Eschelon is also concerned because it believes that Qwest intends to charge a small CLEC such as itself Qwest's total costs associated with activation and testing instead of spreading or apportioning its costs over more carriers. This may make the feature cost prohibitive from Eschelon's perspective.

47. Staff believes that Eschelon's concerns should be addressed through implementation of a more formal process for verification and cost justification. Qwest should be required to provide vendor feature documentation regarding whether a feature is or is not in the switch. Qwest might do this in the form of a letter from the vendor of the switch that they have not paid for the feature and that it is not installed in the switch. In addition, the vendor should know whether it has been activated and the date of activation, since in general when the carrier buys a feature, the vendor gives them a key so the carrier can start using the feature. Qwest should also be required to cost justify any activation fees and testing fees it charges and receive Commission approval of the charges subject to true-up. In particular, it should provide verification of any right to use fees. Staff also recommends that Qwest be required, at the time it receives a request for a switch-based feature that has not been activated, to utilize its CMP process to query CLECs on any features they anticipate requesting activation in the next 12 months. Depending upon the response received, Qwest should structure its charges accordingly.

5. **Should Qwest have to establish that its employees have been trained in the proper processes for CLECs to request the features, functions, and capabilities of the switch?**[5]

a. **Eschelon's Position**

48. Eschelon raised numerous issues regarding Qwest's employees not responding to its inquiries in a timely fashion, and at times giving it contradictory information as to feature availability.

b. **Qwest's Position**

49. Qwest could not explain the specific problems experienced by Eschelon, however, does not believe that there is a problem with its employee's training.

c. **Staff Discussion and Recommendation**

50. Staff agrees with Eschelon that they should have access to employees that are knowledgeable about these processes. In the OSS test CGE&Y reviewed Qwest's ability to respond to CLEC inquires, and found that Qwest provided satisfactory performance. In addition, the test reviewed Qwests web site and other means of distributing information, and found them to be satisfactory. Nonetheless, Eschelon provided evidence that Qwest was not responding to its inquiries regarding RAF in a timely manner, that Eschelon was given contradictory information about the availability of features, and the miscommunications resulted in considerable delay. In the real world, this translates to serious problems for Eschelon and other CLECs that are attempting to compete with Qwest and places these carriers at a distinct competitive disadvantage. In fact, Staff does not believe that Eschelon received firm answers to some of its questions until the July workshop. This is very disconcerting to Staff.

51. To ensure that this does not happen again in the future, Qwest should be required to certify that its employees which interface with CLECs on end-user affecting issues have attended and passed the requisite training. Qwest should also be required to publish the training such employees are required to complete both on its website and its Code of Conduct. In addition, Qwest should implement a streamlined complaint process for CLECs experiencing difficulties in this regard. Staff also recommends that the Commission require Qwest to send out relationship management surveys to CLECs annually, as part of its CMP process, to determine whether Qwest is meeting its obligations in this regard, and is not acting in an anti-competitive manner with regard to any CLECs. Qwest should be required to publish the results of its survey on a state by state basis, where applicable.

[5] *See* Tr. Vol. II, p. 309, lines 8-11; Ex. E-D, p. 16.

6. Should Market Expansion Line (MEL) be available with UNE-P?

a. Eschelon Position

52. Eschelon notes that Qwest has identified MEL as a feature that is unavailable with UNE-P. *See* Qwest Ex. D, Section 7. With the exception of the additional phone number, it is simply a forwarding feature. A customer can use call forwarding variable either locally or as an interstate number. This is a major feature for a customer that is physically changing locations. Without this feature, a UNE-P provider is at a competitive disadvantage with respect to serving such customers.

c. Staff Discussion and Recommendation

53. Staff understands MEL is provided by Qwest through AIN. However, it is equivalent to remote call forwarding which is also a switch based feature. This feature would not be provided by UNE-P as it does not require a switch port. This feature could be provided as an unbundled switch UNE that does not require a port. Staff believes that this issue has been resolved through its recommendations in Impasse Issues 1(a) and (b) above.

B. UNANNOUNCED DISPATCHES:[6]

1. Should a documented process that is available to CLECs for non-emergency maintenance visits to CLEC end-user premises be established to ensure that proper procedures are followed regarding notice, branding, and coordination?

a. Eschelon's Position

54. Eschelon stated that Qwest has apparently commenced a project to increase copper availability. Unfortunately, Qwest has failed to coordinate adequately with CLECs to avoid service disruptions. Eschelon first learned of this situation in the context of its migration of existing customer lines to UNE-P, but the problem also occurs with conversions of new customers to CLECs using UNE-P and resale. For orders that do not otherwise generally require a dispatch (such as conversions and reuse of facilities), Qwest nonetheless dispatches a technician to change cable and pair. If Qwest apprised Eschelon of its plan to do so, Eschelon could coordinate with Qwest and set end-user customer expectations. Qwest has not done that. At a minimum, this causes customer confusion, because Eschelon has told the customer that no technician would be needed. Instead of the expected seamless conversion, a Qwest technician appears and tells Eschelon's customer that the technician is going to take down the customer's service. This is disconcerting enough for the customer but if something goes wrong, the disruption may also be prolonged. In addition, depending on the work performed by Qwest, customer premise equipment could be affected. Thus, notification and coordination are needed to address these issues.

[6] *See* Ex. E-9, pp. 7-8; E-D, pp. 30-38.

55. Eschelon gave an example where on July 2, 2002, a Colorado customer was supposed to convert to Eschelon. The order required no dispatch. But, a Qwest technician nonetheless arrived and changed a cable and pair. The Qwest technician failed to complete the cross connect at the demarcation. The end-user customer, an insurance company, suddenly found that it could make no calls on a business day shortly before a holiday weekend.

56. Eschelon stated that when Qwest begins a project such as the project to increase copper availability, Qwest should provide adequate notice to CLECs and coordinate with them to avoid service disruptions. Also Qwest should not be able to impose extra work and costs on CLECs to complete and correct work that Qwest is performing on its own.

57. At the Workshop, Eschelon reiterated that Eschelon is concerned because it is not aware that the technician shows up unannounced, since it is not informed ahead of time. Eschelon stated that Qwest needs to fully communicate when a dispatch will actually be invoked. Eschelon's witness discussed issues of Qwest technicians coming to the CLEC end-user's premises, when the dispatch is not ordered by the CLEC. Eschelon is concerned that its customer expected either no work to be done at all, or that they did not expect to have a Qwest technician show up branded as a Qwest technician. They are further concerned that the Qwest technician might tell the customer that it would be necessary to take a line down, in cases where Eschelon told the customers that this was an order which would require record work only. The situation could be exacerbated if something goes wrong in doing the work that Qwest is doing, which could lead to an unexpected outage. Eschelon concluded this issue by stating that Eschelon needs to know each time Qwest's technicians are coming to Eschelon's customer sites.

58. Eschelon believes that such protections should be added to the SGAT.

59. In some cases, Qwest may claim that it needs to visit a CLEC's end-user customer premises for routine maintenance or other non-emergency reason. The CLEC is the owner of such facilities, and it needs to be aware of such activities. In such cases, Qwest should have a documented process to ensure that proper procedures are followed regarding notice, branding, and coordination with the CLEC to allow the CLEC to set end-user customer expectations and to avoid the types of problems described in Eschelon's Initial Comments. The documented process should be accessible to CLECs so that they can rely on it and know how to escalate when the process is not followed.

b. <u>Qwest's Position</u>

60. During an August 13, 2002 conference call, Qwest claimed that it has an internal process in place to ensure that the customer of record (CLEC) is notified if a Qwest technician is going to work on a CLEC end-user premise. Qwest said that it is an internal process, so it will not share existing documentation about the process with CLECs. Instead, Qwest said it would create a matrix describing the process and distribute it to CLECs by the end of that week.

61. Qwest also clarified two issues that were previously discussed. The first was that of unnecessary dispatches. Qwest's witness stated that there was a process change implemented on July 23, 2002 in which all orders that are for UNE-P do not have an unnecessary dispatch. Prior to this implementation there were five instances documented, two of which were in Arizona. Qwest stated that it conducted a root cause analysis to make sure that they understood the problem. They then made some process changes to ensure that the problem was resolved. Qwest stated that they're making sure that the order is provisioned correctly, flowing through the systems properly, and that they are monitoring it to ensure effective implementation. Qwest further stated that they believe they have fixed the problem, since they have monitored 25 orders since its July 23 implementation, and everything seems to be flowing through the system correctly with no technicians being dispatched. A discussion ensued concerning the orders which were identified to have errors, how and when Qwest identified them and corrective action taken.

62. Qwest's witness stated that they processed 724 LSR's in Arizona from May through July 18, and that only two of those were involved with unnecessary dispatch. Eschelon stated that it appreciated that Qwest is making process changes to address dispatches that occurred as a result of service order errors. However, Eschelon's witness stated that the issue being discussed in ongoing network maintenance for which Qwest's root cause analysis said that the dispatch was not a result of a service order. Further investigation by Eschelon showed that the dispatch was a result of this ongoing maintenance.

c. **Staff Discussion and Recommendation**

63. A published, documented process upon which CLECs may rely is needed. Staff believes that Qwest's response resolves this impasse issue. Qwest did provide a matrix describing the process and distributed it to the CLECs. The matrix was added to the Qwest Wholesale Web Site under the general heading of Qwest Wholesale CLEC Ad Hoc Meetings on October 7, 2002. URL: http://www.qwest.com/wholesale/training/tradeShow.html. Notification was also sent to the CLECs on October 7, 2002. With this action on Qwest's part, Staff recommends that this impasse issue be closed.

C. DSL - DISCONNECT IN ERROR[7]

1. Should Qwest have a written obligation to escalate a disconnect in error for DSL to be due the same day?[8]

a. **Eschelon's Position**

[7] See E-9, pp. 10-11; E-D, pp. 37-38.
[8] See AZ 271 Tr., Vol. II, p. 458, lines 11 –20.

64. When Eschelon converts a customer from Qwest to Eschelon, Qwest at times disconnects the customer's DSL in error. For example, the Customer Service Record ("CSR") may be inaccurate and show the DSL on the wrong line. Although the error is Qwest's error, Qwest has said that its policy is to provide the CLEC the standard interval before Qwest will restore the DSL to the end-user customer. Therefore, the CLEC's end-user customers must wait days for their DSL service to be restored, when it never should have been disrupted. For some business customers that rely heavily on DSL service, a disruption in DSL service can be as important or more important than a disruption in voice service. If Qwest disconnects the DSL service of one of its retail customers in error, Qwest retail is unlikely to tell the customer that Qwest's policy is to make the customer wait for days to restore the customer's DSL service.

65. Qwest should not, as a matter of policy, be able to make CLECs wait the standard interval when the disconnect is due to a Qwest error, as it has been doing.

66. Eschelon questioned whether or not a retail customer of Eschelon's would have to wait five days, to which Qwest responded no, that the policy is that we put in the order, escalate it and get it done as fast as we can. After some discussion about the interval, Eschelon's witness stated that her concern was that if somebody else caused the error and it shouldn't have happened at all, Eschelon believes it should not have to wait the entire interval whether it's 10 days of 5 days, in order to get it corrected.

b. Qwest's Position

67. Qwest next addressed issues concerning provisioning of DSL, and fixes they have implemented for those issues. Qwest's witness stated that she planned to discuss three Eschelon issues; 1) disconnect in error, 2) escalation process when there are problems, and 3) issues focused only on the Central Region.

68. According to Qwest, Qwest's records show that they had five cases of DSL disconnect in error. She stated that Qwest has looked at root causes and identified the problem. They implemented process modifications on July 11, 2002. She added that Qwest has looked at 133 orders since then and that they all flowed-through correctly without any disconnect in error problems. Therefore, she stated that if there is still an open issue, Qwest is not aware of it. To this Eschelon responded that the issue is the question as to Qwest's policy, and where that policy is documented. Qwest responded that this was discussed with all CLEC customers in detail during the July 17, 2002 CMP meeting. She further stated that project management had recently reduced the intervals for this product line. She stated that it was reduced from 10 days to 5 days.

69. Qwest stated that if the CLEC has unique situations, it should use the escalation process. Qwest stated that changes made on July 16, 2002 were communicated by voicemail to the escalation center, stating that training should begin immediately on DSL issues. She stated that the interval for DSL restoration is five days. However, if the customer needs it that day, Qwest tries to escalate it and provide it that day, which should resolve issue No. 2.

70. Eschelon's witness stated that they believe that Qwest's policy is that Eschelon has to wait the entire first installation interval (five days) and believes that is a bad policy. Eschelon stated that in its experience, there had been occasions on which DSL has been going down in error, as a result of Qwest's inaccurate customer service, showing DSL on a different line than the one it was on.

71. In the workshop on July 30th and 31st, 2002, Qwest referenced a specific instance with Eschelon ordering DSL. In this specific instance discussed at the workshop, Qwest resolved the situation where Eschelon had intended to issue an order for DSL but had failed to put DSL on the order. In this instance, Qwest escalated the issue and added DSL to the existing order with the standard interval due date. Qwest provisioned the DSL service on the original due date. In situations involving disconnects in error, Qwest typically restores service in less than 24 hours. In fact, in 21 of these types of disconnect in error situations for Eschelon during the months of June and July, 2002, Qwest restored service in one hour and 20 minutes on average. Therefore, Qwest sees no need to impose repair intervals on Qwest as Eschelon suggests.

c. Staff Discussion and Recommendation

72. While the results cited by Qwest show improvement, Staff disagrees with Qwest that there is no need to impose a shorter restore interval for this problem. If Qwest disconnects a DSL service in error, this is equivalent to a trouble condition. The DSL repair out of service commitment interval, therefore, should be used to restore service. This commitment should be documented in Qwest repair process procedures (Qwest Product Catalog (PCAT)-Maintenance and Repair Overview and Standard Interval Guide).

D. DSL – DISCONNECT DSL EARLY (BEFORE VOICE)[9]

1. Should Qwest be required to leave DSL functional until the time of cut requested by CLEC (and not early)?

2. Should Qwest have to show a track record of doing so before gaining 271 approval?

a. Eschelon's Position

[9] See E-9, p. 11; E-D, pp. 38-39.

73. When Eschelon converts a customer from Qwest to Eschelon, Qwest at times disconnects the customer's DSL early. For example, Eschelon submits an order for UNE-P with DSL and indicates the due date. Qwest then disconnects the DSL before the due date. The customer still has voice service but loses DSL service. As indicated, some business customers rely heavily on DSL service, and a disruption in DSL service can be as important or more important than a disruption in voice service. This situation not only causes the end-user customer to lose its DSL service and become frustrated, but also causes additional work for both carriers. It also causes customer confusion because the customer believes that it has changed to a new provider. In fact, the customer is still a customer of Qwest's because the DSL was disconnected before the due date for the conversion to the CLEC. This leads to a frustrating and unsatisfactory experience for the customer, which may blame the CLEC even though Qwest disconnected the DSL early. Eschelon previously encountered a similar problem at Qwest when Qwest would take down the customer's voice mail early (before the due date for the voice service). Although the voice mail problem has since been resolved, the DSL problem appears similar and causes similar headaches.

74. Since the July workshop, Eschelon advises that they have experienced this situation again. Qwest disconnected the DSL at 5:30 am even though the cut was not scheduled until 11:30 am. The end-user customer lost critical functionality before the cut time. The customer was upset and asked Eschelon to push out the cut. Qwest then took the position that this was a customer not ready situation. This was not the case, because Qwest caused the disruption and adverse end-user experience. Eschelon asked its service manager to bring this example to the appropriate personnel at Qwest to attempt to avoid another problem.

b. Qwest's Position

75. Due to current process and system constraints, when a disconnect is issued on a customer's service, the Qwest DSL service disconnect is worked in a time certain window. This constraint applies to both retail and wholesale regardless of whether the disconnect is to completely discontinue service, as part of a customer move, or a conversion to another provider.

76. Qwest is currently investigating alternative solutions that would allow the DSL service to remain functional until the time the voice service is disconnected. Once these solutions have been thoroughly analyzed, Qwest will communicate proposed changes to the CLECs via the Change Management Process (CMP) in November.

c. Staff Discussion and Recommendation

77. Staff agrees with Eschelon on this issue. Qwest should develop a process such that DSL service is not disconnected early. Since Qwest advises they will make a proposal in the November CMP meeting, Qwest appears to agree. Qwest should advise the Commission when this proposed process to prevent early disconnect of DSL has been implemented.

78. Qwest recently provided an update on the CMP November meeting. It reported that an internal DSL system change was implemented on December 17, 2002. The change adjusted the internal system to recognize and adjust normal processing when Frame Due Time is present on the CLEC order. The CR (PC022802-1) was closed in the January 15th CMP meeting with the concurrence of Eschelon. With this update, Staff considers this impasse issue to be closed.

E. MAINTENANCE AND REPAIR – DISCRIMINATION[10]

1. Should Qwest be required to provide a statement of time and materials and applicable charges to CLECs at the time maintenance and repair work is completed (as it does with retail customers)?

a. Eschelon Position

79. Eschelon points out that when Qwest provides repair services to its retail customers, Qwest provides a statement of time and materials and applicable charges to the customer at the time the work is completed. When Qwest provides repair services to its CLEC wholesale customers, however, Qwest does not do so. Despite Eschelon's requests that Qwest provide this information to CLECs,[11] Qwest does not provide needed information until the monthly wholesale invoices arrive at a much later point in time. This places CLECs at a disadvantage. CLECs cannot dispute a charge at the time the work is completed, when all of those involved are most likely to know the facts necessary to determine the accuracy of the charge. CLECs must wait until the bill is received, and then it is a huge task to analyze after the fact what happened in each situation and whether a charge should have been applied. Eschelon should be able to record charges.

80. In summary, Eschelon claims that it cannot obtain an invoice of applicable repair charges at the time repair work is completed, but rather must wait until Qwest sends the monthly Wholesale invoices. Eschelon asserts this places them at a disadvantage in that it is not able to dispute such charges in a real time basis.

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10 See E-9, pp. 12-13; E-D, pp. 40-42.

11 *See, e.g.*, http://www.qwest.com/wholesale/downloads/2001/011221/122101email.pdf, p. 13 of 21 ("More information on the bill is only a part of the request made by Allegiance, Covad, and Eschelon in their joint Escalation. With respect to billing, we also asked Qwest to 'Ensure that CLECs receive notification, at the time of the activity, if a charge will be applied, because CLECs should not have to wait until the bill arrives to discover that Qwest charged for an activity.' (Joint Suppl. Escalation, p. 9.) As Eschelon said at the most recent CMP meeting, the CLEC needs to know at the time of the event that a charge will apply. Immediately after the work is completed, Qwest needs to send CLEC a statement of services performed, testing results, and applicable charges (by telephone number) that will appear on CLEC's next invoice. If Qwest is claiming that a charge was authorized, a process should also be in place to provide timely documentation as to who authorized the charge. If CLECs must wait until the bill is received, it will be a huge task to go back and analyze what happened in each situation and whether a charge should have been applied. All of these kinds of issues should be discussed and reviewed jointly before implementation.").

b. Qwest's Position

81. In response to Eschelon's issue that Qwest should be required to provide a statement of time and materials and applicable charges to CLECs at the time maintenance and repair work is completed (as it does with retail customers), Qwest responded that it does provide CLECs with a dispute process for repair charges. The opportunity to dispute repair charges is dependent on the type of service (either designed or non-designed). In either event, the dispute processes for repair charges are provided in substantially the same manner as those utilized by Qwest retail personnel. For non-designed trouble tickets (including non-designed resale and UNE-P POTS), the technician that resolves the trouble closes the ticket as discussed above. By using the CEMR electronic interface, however, CLECs may access a view of the same non-designed service repair charge information that is available to Qwest retail personnel. CEMR provides indication of the Trouble Isolation Charge for a specified trouble ticket. Should CEMR review identify the need, CLECs may dispute the charge after it is billed with their billing representative.

82. For designed services, which are generally more complex, there are several opportunities to dispute repair charges before they appear on the CLEC bill. An MCO technician manages the closure of these trouble tickets. When Qwest is discussing the resolution of designed services trouble tickets with the CLEC, the MCO technician will advise the CLEC of the nature of the charges that will be applied. If the CLEC disputes the resolution of the ticket at that time, the ticket will not be closed. Thus, CLECs are given the opportunity to dispute the charges at the time of closure. Additionally, Qwest states that it's process is to hold a designed services trouble ticket for two weeks after closure before sending the charges to billing. This provides the CLEC with another opportunity to dispute repair. Further, in the event that repair charges were quoted by an MCO technician in a previous trouble report that is less than two weeks old, and a subsequent trouble report finds the trouble to be in the Qwest network, the CLEC has a third opportunity to dispute the initial trouble ticket charge with the MCO technician working the subsequent trouble report.

83. Therefore, Qwest stated that CLECs can dispute repair charges for designed services at ticket closure, any time up to two weeks after ticket closure, and after accepting repair charges (if a subsequent trouble finds a previously-billed trouble to have been incorrectly repaired or within the Qwest network). Finally, after the charges have been sent to billing, the CLEC can contact their Qwest billing representative to dispute any repair-related charges. Finally, in response to an Eschelon CR, Qwest is evaluating with the CLEC community through CMP whether a mechanism should be created to forward repair invoices to the CLECs for delivery to their end users.

84. Additionally Qwest is working on a Level of Effort (LOE) to determine the cost of implementing a change that would allow Qwest to send daily e-mail messages to CLECs after completion of the repair ticket, which would detail the ticket number of the repair and associated charges.

85. Finally, in response to an Eschelon CR, Qwest is evaluating with the CLEC community through CMP whether a mechanism should be created to forward repair invoices to the CLECs for delivery to their end users. This CR was discussed along with several others in the August monthly CMP meeting. At that meeting, a decision was made by Qwest and the participating CLECs, including Eschelon, to evaluate the CRs in an ad hoc meeting on August 27, 2002. A read out of the results of that meeting was provided in the September monthly CMP meeting. Qwest is working on a Level of Effort (LOE) to determine the cost of implementing a change that would allow Qwest to send daily email messages to CLECs after completion of the repair ticket, which would detail the ticket number of the repair and associated charges. Qwest plans to discuss the results of the LOE effort with the CLECs at the next scheduled CMP meeting.

c. Staff Discussion and Recommendation

86. Staff agrees with Eschelon that this is a very important issue and needs to be resolved. Since this issue is being appropriately worked on in CMP, this should provide a resolution to this impasse issue. Qwest should advise the Commission when this process is agreed upon and implemented. The PCAT in the Repair Overview should then be updated to advise CLECs of this procedure.

87. Qwest provided an update on progress in the CMP on this issue. Qwest reported that it has met with Eschelon on this CR (SCR070202-1X) to ensure that the requirements are correctly defined. This CR is in the development phase and following the CMP process.

F. MAINTENANCE AND REPAIR – UNTIMELINESS OF BILLS[12]

1. Should Qwest be required to make a written commitment to CLECs to provide timely bills or, if untimely, not apply the charges?

a. Eschelon's Position

88. A related issue raised by Eschelon is Maintenance and Repair – timeliness of bills. Eschelon's witness stated that charges from August and September first appeared on a November invoice, which made it very difficult for Eschelon to reconcile invoice contents. Eschelon believes Qwest has inherent problems with its billing systems if it is holding charges as long as she stated. Another witness corroborated the occurrence of delayed billing in Arizona specifying that June through September items appeared on the November bill.

89. The problem of not receiving a statement when work is completed is compounded by the problem of untimely bills for maintenance charges. Eschelon's Colorado bill for December 2001 contained charges going back to September of 2001. Eschelon's Colorado bill for January 2002 contained charges going back to September, October, and December of 2001. Eschelon's Colorado bill for February 2002 contained maintenance charges going back to October and November of 2001. Bill verification becomes virtually impossible when dealing with such outdated information.

[12] See E-9, p. 14, Tr. Vol. I, p. 211 line 13 – p. 212, line 5.

b. Qwest's Position

90. Qwest advises that the policy of not billing for maintenance charges over 45 days old was implemented on 2/28/02. As a result of this implementation no tickets are processed that are over 45 days old. This process has been documented internally and Service Delivery Coordinators (SDCs) received training on this change which included the instruction not to manually issue any bills for any tickets over 45 days old. Given the fact that Qwest has attested to this policy in a public forum, no additional commitment is necessary.

91. Qwest has also stated in sworn testimony provided to the FCC that "bills are not issued on maintenance charges that are over 45 days old." Notarianni & Doherty Checklist Item 2 OSS Reply Declaration, ¶ 238 (July 26, 2002). Nothing further on Qwest's part is needed.

c. Staff Discussion and Recommendation

92. Staff recommends that the Commission require Qwest to document its policy so that it is applied uniformly. Staff does not agree that this policy should not be documented. This policy should also be posted on the PCAT web site under Repair Overview so that CLECs are aware of this policy.

G. MAINTENANCE AND REPAIR – INSUFFICIENT INFORMATION ON BILLS[13]

1. Should Qwest be required to provide the circuit identification number on unbundled loop bills for maintenance and repair charges?

a. Eschelon's Position

93. The next issue raised by Eschelon was Maintenance and Repair – insufficient information on the bill. The witness stated that for unbundled loops on the bills, Qwest has not included circuit identification numbers, a common way for CLECs and ILECs to find information for an individual item that would appear on a bill. Further, the bill did not include the date of the dispatch. Based on this, the Eschelon witness questioned how Qwest can claim a high bill accuracy rate. She stated that the effect on Eschelon is an inability to inquire on a timely basis about charges and the appropriateness of handling of the charges.

94. Eschelon has had to request the circuit identification numbers separately from Qwest and engage in a manual process to go back and review the bills to attempt to verify them. For April 2002, Eschelon found that, once it received the circuit identification information, it needed to dispute 8 out of 32 charges (in Arizona). That is 25%. For May 2002, Eschelon found that, once it received the circuit identification information, it needed to dispute 15 out of 32 charges (in Arizona). That is 46.8%. Qwest has not yet provided more recent circuit identification information needed to verify more recent bills. Receipt of timely circuit identification information is needed for verifying bills.

b. Qwest's Position

[13] See E-9, pp. 14-15; E-D, pp.44-45.

95. In response to Eschelon's complaint that it has had to request the circuit identification numbers separately from Qwest and engage in a manual process to go back and review the bills to attempt to verify them, Qwest stated that it and the CLECs are working, through the CMP, to develop a mechanized means for communicating repair charges to CLECs regardless of how the associated trouble report was submitted. Qwest stated that an agreement with all CLECs to determine functionality and priority is pending.

96. Qwest also stated that its bills do provide sufficient information so that the circuit identification numbers are not necessary for Eschelon to review its repair charges. Qwest stated that each bill is detailed at the sub-account level, as opposed to a summary level, so the CLEC can relate specific charges to a specific end-user account. For example, Qwest stated that there is never more than one unbundled loop per sub-account, so it is clear to which loop the charges apply. Qwest also stated that it implemented process modifications in March 2002, to allow the CLEC to relate more easily the charges on the bill to a specific trouble report. Prior to March, 2002, the bill displayed the date the service order was written to apply the maintenance and repair charges rather than the date the M&R work was performed. Since March, 2002, the bill displays the date the M&R charge was incurred, not the date the charge was added to the bill, so the CLEC can match the charge to a specific trouble ticket and can more easily audit these charges on its bill.

97. Qwest advises that it has responded to all of Eschelon's circuit identification number requests.

c. Staff Discussion and Recommendation

98. Staff understands that Qwest and the CLECs are working, through the CMP, to develop a mechanized means for communicating repair charges to CLECs regardless of how the associated trouble report was submitted. An agreement with all CLECs to determine functionality and priority is pending. This process should resolve this issue. Qwest should advise the Commission when this process is completed and implemented.

99. Qwest provided an update recently on its progress on this issue its CMP. Qwest reported that Circuit ID information on unbundled loop bills for maintenance and repair charges is already in the Central and Western regions. SCR060402-04, when implemented, will provide this functionality in the Eastern region as well. This CR was to be implemented on 3/17/03.

H. MAINTENANCE AND REPAIR – PAIR GAIN[14]

1. **Should Qwest be allowed to impose upon CLECs dispatch charges before it has ensured that the loop is working from its equipment to the pair gain?**

2. **Should Qwest be allowed to impose unnecessary maintenance and repair charges on CLECs that are due to Qwest's use of pair gain?**

[14] See Ex. E-9, pp. 15-16; E-D, pp. 47-48.

a. **Eschelon's Position**

100. Eschelon's next issue was Maintenance and Repair – pair gain testing. The witness stated that Eschelon has objected to the additional or optional testing policy that Qwest invoked approximately six months ago. The witness stated that when there is a pair gain on the line, Eschelon cannot test it. However if trouble is on the line, when Qwest goes out it could result in a test charge, a dispatch charge and/or a no trouble found charge. She further stated that there have been instances in which Qwest refused to open a repair ticket unless Eschelon authorized the optional testing.

102. Eschelon asserts that it should not incur maintenance and repair charges when the inability to provide accurate test results is due to Qwest's use of pair gain. Eschelon also asserts that Qwest will not accept a trouble ticket for loops provisioned on pair gain, such as Digital Loop Carrier, without receiving either test results or authorization to apply "Optional Testing Charges." [15]

103. Eschelon's witness stated that they believed that a good first step would be for Qwest to change its policy and documentation. She supported this by stating that they have had many issues with training, follow-through and compliance, so they don't believe an issue is taken care of until they have used the solution for a period of time, and satisfied themselves that it works.

b. **Qwest's Position**

104. Qwest's witness pointed out that a change was made on Friday, July 23, 2002 that provided that when the repair call handling bureau receives reports that say anything about pair gain, they are instructed to take the ticket whether any trouble results have been indicated or not. Eschelon questioned whether or not test results still needed to be reported, to which Qwest's witness responded no, you simply need to state that there is pair gain.

105. Qwest also stated that it does not impose unnecessary maintenance and repair charges. Qwest stated that it only charges for optional testing when CLECs elect to have Qwest conduct testing and for maintenance dispatches when the technician determines that the trouble resides outside the Qwest network. Specific to the issue of pair gain, as described in the July 30-31, 2002 workshop, when the CLEC identifies up front that the facilities are pair gain, Qwest will not assess optional testing charges.

106. Qwest offered the following language from its PCAT as further clarification of its policy: The Qwest URL is as follows: www.qwest.com/wholesale/pcat/unloop.html#maint.

[15] *See* Eschelon at 14-15.

CLECs have not performed trouble testing on the end-user's circuit. Qwest will offer the option of having Qwest conduct the testing on the CLECs behalf at a charge. If the CLEC chooses to have Qwest conduct the testing, Qwest will conduct the test and assess the results. Qwest will contact the CLEC with results stating that the trouble is in their network or in the Qwest network. If the trouble is found to be in the CLEC network and they authorize a dispatch, a charge will apply for both the optional testing and for any Maintenance of Service charges resulting from Qwest trouble resolution activity. However, if the circuit is on Pair Gain, the CLEC should advise Qwest that the circuit is on Pair Gain, and Qwest will not assess optional testing charges. If the trouble is found to be in the Qwest network, Qwest will dispatch a technician to conduct the repair work and close the ticket with the CLEC. No Maintenance of Service charges will apply for repair of the trouble on Qwest's side of the network; however, a charge will be assessed for the optional testing.

107. CLECs are also required to include at a minimum information in a trouble report including whether the circuit is on pair gain.

108. Qwest responds that it does not impose unnecessary maintenance and repair charges: Qwest only charges for optional testing when CLECs elect to have Qwest conduct testing and for maintenance dispatches when the technician determines that the trouble resides outside the Qwest network.

c. **Staff Discussion and Recommendation**

109. Staff agrees with Qwest's new process for handling of trouble testing that includes Pair Gain. Qwest should not impose unnecessary maintenance charges because a subscriber is served by Pair Gain facilities when the process is followed.

I. MAINTENANCE AND REPAIR – RECIPROCITY[16]

1. Should Qwest be required to accept charges from CLECs for testing that CLECs conduct for Qwest in the same types of circumstances under which Qwest charges CLECs?

a. **Eschelon's Position**

[16] See Ex. E-9, p. 16 & E-D, p. 47.

110. Eschelon's next issue was Maintenance and Repair – reciprocity. This is the instance in which Eschelon is unable to charge Qwest when it dispatches a technician, and finds that the trouble was in Qwest's network. In this instance Eschelon is unable to reciprocally charge Qwest for its time and work done. The witness stated that Eschelon plans to bill Qwest for these charges. Further, if Qwest denies them, Eschelon will litigate because it has been trying to work out the issue and has been unable to do so. She further stated that this is the kind of issue that could be addressed in the SGAT. She pointed out that TCG has a contract that allows for reciprocity, but because of the status of the contract Eschelon is unable to opt-in. Since this (reciprocity) is something that Qwest has done for another CLEC, Eschelon states that it should be available to them. The Facilitator interjected that considerable time was spent on the issue of reciprocity in SGAT workshops.

111. Eschelon contends that although the SGAT does refer to charges by carriers to each other in other contexts (*see, e.g.*, SGAT § 7.6.3 regarding Category 11 records), it does not do so for this issue. This should be changed so that Qwest does not have a competitive advantage over every other carrier that must pay charges in these situations, per Qwest's policy.

b. **<u>Qwest's Position</u>**

112. In response to Eschelon's claim that Qwest should be required to accept charges from CLECs for testing that CLECs conduct for Qwest in the same types of circumstances under which Qwest charges CLECs, Qwest responded that consistent with industry practice, its ICAs require that CLECs test to isolate trouble to the ILEC network before issuing a trouble ticket to Qwest and provide for charges to apply when the trouble is found to be outside the Qwest network. Qwest stated that CLECs use Qwest's network to serve their end-users; the reverse is not true.

c. **<u>Staff Discussion and Recommendation</u>**

113. Staff agrees with Qwest on this issue. The SGAT at 12.3.4 Trouble Isolation describes the responsibilities and applicable charges for trouble isolation and trouble clearing. This issue of reciprocal charges for repair was discussed at length in the workshops and was not identified as an Impasse issue at that time. The CLECs agreed with the language now in the SGAT. As pointed out in the SGAT, trouble isolation for a CLEC customer is a CLEC responsibility. If Qwest is dispatched on a trouble that is located in the CLEC network, Maintenance of Service Charge applies. Eschelon does not provide any new information that supports a change in this process.

J. LOSS AND COMPLETION REPORTS[17]

1. Should Qwest be required to provide to CLECs with a single report that lists the customers that have left the CLEC to go to another carrier?

a. **<u>Eschelon's Position</u>**

[17] See Ex. E-9, p. 17; Ex. E-D, pp. 48-49.

114. Eschelon's next issue was Loss and Completion reports. This kind of report communicates information on action that was taken by Qwest on Eschelon customers. He stated that in May 2001 Eschelon did start to receive these electronically, however there were a multitude of problems with them. Eschelon's primary issue is that it is not effectively notified of the loss of a customer that has left Eschelon and moved back to Qwest or to another resale or UNE-P provider with Qwest. As a result, Eschelon would continue to bill that customer erroneously for some period of time. Eschelon continued to experience the problem as late as May 2002 and concludes that loss and completion reports continue to be inaccurate.

115. Eschelon advised that while there has been substantial improvements in the Loss and Completion Reports, the reports continue to fail to differentiate customers that are going to another provider without a CLEC's knowledge with those disconnected at the CLEC's request. Qwest defines both types of customers as "external" when in fact the loss report should show customers that the CLEC lost. The reports should be revised to help ensure that a CLEC does not continue to bill a customer that has left the CLEC.

b. Qwest's Position

116. Qwest replied that it has a different understanding of what should constitute an internal versus external loss indication on the report. This was discussed further during the September CMP and Eschelon will be issuing a system CR to initiate the process for the change.

c. Staff Discussion and Recommendation

117. Staff agrees that a CLEC should be notified when a customer is lost. It is understood that this information is on the Loss and Completion Report, but not as clearly indicated as Eschelon would like. Additional changes to the Loss and Completion Report that Eschelon is requesting should be handled by the CMP process as Qwest has indicated.

118. Qwest recently provided an update on this issue from its CMP process. Qwest reported that Eschelon issued a system CR (SCR093002-01). In November 2002, Qwest provided the Level of Effort (LOE), and discussed the requirements with all CLECs in December 2002 to ensure that all CLECs understand how the changes will impact the report. The CR is in the definition phase now and following the CMP process.

K. POLICY OF NOT APPLYING RATES IN INTERCONNECTION AGREEMENTS[18]

1. **May Qwest unilaterally impose on a CLEC that has not opted in to an SGAT a rate that has not been approved in a commission cost docket or using the commission approved cost model?**

2. **May Qwest impose SGAT rates on a CLEC that has not opted into an SGAT?**

[18] See Ex. E-9, pp. 20-21; E-D, pp. 50-51; see also Ex. E-C (collocation section 6b); Tr. Vol. I, pp. 221-23.

3. **Should the Commission establish a process under which, if a charge is due and really is not in the interconnection agreement, Qwest must negotiate a rate, obtain commission approval for a rate, or at least reach agreement on using the commission approved cost models and processes to calculate the rate before charging the rate?**

a. **Eschelon's Position**

119. Eschelon's witness next described the issue of inadequate notice of rate and profile changes. She stated that this is another process that Qwest rolled out on a unilateral basis, and that essentially Qwest does not provide adequate notice of rate and profile changes. She stated that the Qwest notification process is inadequate since it sends a complete list of 3,000 USOCs that have had changes, although Eschelon only orders one of these USOCs. Thus, they must find the individual item which effected them, rather than being provided the specific information by Qwest.

120. Eschelon's next issue was the policy for applying rates not in Eschelon's interconnection agreement. She stated that Qwest charges Eschelon SGAT rates, although Eschelon has not opted-into an SGAT. The result of this is that Eschelon pays rates to which it did not agree, and which usually are higher than they should be. She further commented that Eschelon was recently given a quote for collocation that was based on SGAT rates, even though rates for collocation are provided in Eschelon's interconnection agreement. She also listed an example of the situation in which Eschelon was trying to find out what rates it would be charged under the new additional testing policy, since Eschelon doesn't have this policy in some of its contracts in Arizona. She stated that Qwest sent an e-mail with rates in it, stating that these are the rates of Eschelon's contract which Qwest would apply. Eschelon's witness stated that they had compared the E-mail rates to its bills and found that they were not being billed for the quoted rates. She questioned why Qwest would use an SGAT rate when Eschelon hasn't opted into an SGAT. She stated that some SGAT rates are not cost based and therefore are not approved by Commissions. Thus, Eschelon is not being charged a cost based rate.

121. Eschelon raised the above issues in general as well as in a specific case related to a collocation quote.

c. **Staff Discussion and Recommendation**

122. The rates included in the SGAT should reflect the ACC approved rates resulting form the latest wholesale pricing docket in Arizona. These rates were most recently set in Docket No. T-00000A-00-0194, In the Matter of the Generic Investigation into US West Communication's, Inc.'s n/k/a Qwest Corporation's Compliance with Certain Wholesale Pricing Requirements and Resale Discounts. The Phase II Opinion and Order, Decision No. 64022, was entered on June 12, 2002. The Commission's Opinion and Order in Phase II(A), Decision No. 65451, was entered on December 12, 2002. If the CLEC Interconnection Agreement does not include rates for the work or service requested, then Qwest can and should utilize SGAT rates, as these are approved Commission rates. However, even for rates included in an interconnection agreement, many agreements provide that they shall be superceded by any Commission approved rates in a generic costing docket.

123. According to Qwest, it goes through each interconnection agreement in Phase I of its implementation of any Commission rate order and maps the new rates according to the terms of each agreement and the Commission's order. If Eschelon disputes whether Qwest is applying any charge correctly, it has the right to raise the issue with the Commission, or with Qwest.

L. COLLOCATION[19]

1. Should the Commission recommend 271 approval for Qwest before Qwest has demonstrated that its documented processes for ensuring that CLEC collocation equipment is protected during construction activities have been tested and proven successful?

a. Eschelon's Position

124. Eschelon's witness referenced Exhibit E-18 which lists Collocation and Interconnection issues, and Exhibit E-19 which relates specifically to Collocation construction. Eschelon's witness first described dust contamination problems, stating that they had had several instances in which Qwest, in performing construction in a central office in which Eschelon's equipment is located, has not taken proper steps to protect Eschelon's equipment. Further, she stated that Qwest had actually entered Eschelon's collocation without informing them, and stated that this is a breach of security. She cited several illustrations of the dust problem, including the Orchard Central Office in Minneapolis (several illustrations). She stated that Qwest had provided a written response after Eschelon escalated the issue, stating that all methods and procedures were followed, and that Dust protection was appropriate and in place. Eschelon's witness commented that if that is the case, we need a change in methods and procedures since they are apparently inadequate. She cited additional problems in Denver, in March, 2001 and at the Scottsdale Thunderbird project in June 2002. Eschelon's witness also discussed measures that could have been taken to avoid the issue. Also, the witness provided detailed descriptions of the dust issues in Colorado and at the Orchard location in Minnesota. The witness also described an instance in which a Qwest approved contractor entered a collocation facility without securing Eschelon's authorization.

b. Qwest's Position

125. Qwest replied that it has documented and covered all of its appropriate managers on the documentation. The documentation has been distributed and is on the Qwest wholesale website. In addition, a letter was sent by Qwest's VP of Real Estate to all of its vendors stating that the vendors must follow Qwest's procedures with a "one strike rule" which will remove the non-compliant vendor from Qwest's approved vendor list There have been no further occurrences according to Qwest.

c. Staff Discussion and Recommendation

[19] See Ex. E-C; see also Exs. E-14, E-18, E-19.

126. Staff agrees that this is a very serious issue. CLEC equipment can be damaged and cause customer effecting troubles if not properly protected during construction activities. It appears from Qwest's response that they take this issue seriously and have taken appropriate steps. Therefore Staff believes this issue is resolved going forward, however, Staff requests that Eschelon notify Staff if there is a reoccurrence of this problem.

2. Should Qwest be required to provide CLEC collocation personnel with Qwest's written processes and procedures for protecting CLEC collocation equipment during construction and to incorporate those procedures on its wholesale web site?

3. Should language be added to the SGAT to require Qwest to pay for clean up costs when Qwest construction results in dust contamination to CLEC equipment?

a. <u>Eschelon's Position</u>

127. In the workshop, Eschelon provided evidence that there was a reoccurring problem with protection of their central office equipment during central office building construction activity. In addition, they provided pictures of dust covering their equipment that occurred in the Scottsdale Thunderbird Office in June of 2002.

128. Eschelon commented that they believe that Qwest's processes should be more fully documented and accessible to CLECs, and those processes should be tested and proven successful before 271 approval is granted. Specifically, Qwest should document these processes in documentation CLECs use in day to day business so that CLECs have ready access to the procedures Qwest has agreed to use to protect CLEC equipment. Since Qwest has demonstrated it does not follow its stated procedures in the recent Arizona situation, this issue should not be considered resolved until Qwest has a track record of actually following its procedures.

129. Eschelon requested that Qwest be required to pay the costs of clean up when these situations occur.

b. <u>Qwest Position</u>

130. Qwest advises that it has documented and covered with all of its appropriate managers on the processes for ensuring that CLEC collocation equipment is protected during construction activities. The documentation has been distributed and is on the wholesale website. In addition, a letter was sent by Qwest's VP of Real Estate to all of it's vendors stating that the vendors must follow Qwest's procedures with a "one strike rule" which will remove the non-compliant vendor from Qwest's approved vendor list. Qwest advises that there have been no further occurrences.

c. <u>Staff Discussion and Recommendation</u>

131. In response to this issue Qwest advised that it has developed written processes and procedures for protecting CLEC collocation equipment during construction. The enhancement of these processes and procedures was the subject of CMP change request PC021502-1, the response to which was approved in the CMP in April 2002. In the response to change request PC021502-1, a commitment was made to update Qwest's Technical Publication ("Tech Pub") No. 77350 which is referenced in the collocation section of the SGAT and the collocation section of the wholesale product catalog ("PCAT"). The update of Tech Pub 77350 related to approved change request PC021502-1 has been distributed through the CMP and is available to CLECs on the wholesale website. Staff believes that this response by Qwest satisfies Eschelon's request on this issue.

132. The SGAT should also be changed to include language that provides for Qwest to pay for clean up costs when Qwest construction results in dust contamination to CLEC equipment. Clean up costs includes repair or replacement of equipment that is damaged as a result of the dust contamination. This language also should be reciprocal. If a CLEC causes dust contamination, then it should pay for clean cost as well as cost of damage to Qwest equipment or other CLECs equipment. Staff requests recommends that the Commission require Qwest to update and include language in the SGAT that addresses this issue.

4. Should Qwest be required to provide CLECs final Alternative Point of Termination (APOT) information at least 15 days before a collocation ready for service (RFS) date so that CLECs are able to place orders early enough to enable them to use their collocations on the RFS date?

a. <u>Eschelon Position</u>

133. Eschelon requests that Qwest provide final APOT information at least 15 days before the collocation ready for service (RFS) date so that Eschelon can utilize the cage on the RFS date.

134. Eschelon points out that Qwest provides preliminary, but not final, Alternative Point of Termination (APOT) information 15 days before the Ready for Service (RFS) date. Qwest does not provide a CLEC with ***final*** APOTs until on or after the collocation RFS date. On that date, CLEC is required to pay all remaining nonrecurring charges and begin paying recurring charges for the collocation space. Yet, the collocation space is not functional because the associated UNEs, transport services and CLEC-to-CLEC routing cannot be ordered with any certainty until after the final APOT information is made available to CLEC. While Qwest will allow CLECS to place orders based upon preliminary APOT information provided before the RFS date, this does not guarantee that CLEC can use its space on the RFS date. If Qwest determines that the final APOT is different from the preliminary APOT, CLEC is required to submit a supplement to its service order, thereby delaying delivery of UNEs, transport and CLEC-to-CLEC routing. Eschelon has asked Qwest to develop a process to provide CLECs with final APOT information at least 15 days before RFS so that CLECs can place orders in a time frame that enables them to actually use their collocation space on the RFS date (CR PC120301-2) Correcting APOT issues takes time and coordination, which, if handled in the early stages of the order, can be resolved without affecting the established RFS date generated by Qwest and expected by Eschelon customers.

135. Eschelon proposed the following addition to the SGAT at 8.4.1.2.1:

Upon receipt of CLEC's Collocation Acceptance by Qwest and CLEC's initial fifty percent (50%) payment, CLEC may begin submitting service order requests for Qwest UNEs, transport services and CLEC to CLEC routing utilizing assigned CLLI codes and APOTs as necessary. Qwest will provide the final APOTs at least fifteen (15) days before the RFS date. If Qwest provides incorrect APOT information, upon discovery Qwest shall immediately correct the erroneous information. Qwest's processing of CLEC's service orders shall not be delayed from the provisioning interval that would apply had there been no APOT error.

b. AT&T Position

136. AT&T commented that they do not oppose the change proposed by Eschelon. The language only speaks to "incorrect" APOT information and correction of "errors"; however, it appears that Eschelon intended to include any situation where a final APOT is changed. If Eschelon is intending to capture changes to APOT information (as may happen when the preliminary APOT is replaced with a final APOT), the language needs to be clarified to reflect this as well.

c. Qwest Position

137. Qwest addressed this issue in its Late-Filed Exhibits, filed August 8, and 16, 2002.

138. Qwest cannot accept the language recommended by Eschelon for the following reasons. Qwest has a 90-day timeframe for completing a collocation. By providing the CLEC with a final APOT 15 days prior to the RFS date, Qwest has in essence given the CLEC the collocation in a reduced time frame. Qwest agreed to provide the preliminary APOT information to the CLEC 15 days prior to the Ready For Service ("RFS") date so that the CLEC can begin preparing its service orders. The CLEC can submit its service orders to Qwest for processing based on the preliminary APOT information. The fact is, in some limited instances, during the installation work the need arises to change the preliminary APOT to reflect different terminations and in that case, the CLEC will need to ensure the new APOT information is reflected in any service orders the CLEC has already submitted. Service orders may be placed and turned up concurrently with the collocation RFS if the final 50 percent of the non-recurring charges has been paid. Qwest is providing the preliminary APOT information before Qwest's installation work on the collocation space has been completed as a courtesy to the CLEC so that it can get a jump on processing its service orders. However, there may be instances where the final APOT information is different based on what is encountered during the installation.

139. Again, because parties may not be familiar with the term Alternate Point of Termination (APOT), Qwest would like to elaborate. APOT information identifies specific collocation terminations at the CLEC's side of the Interconnection Distribution Frame (ICDF) or the frame where the service terminates and is used for the purpose of ordering UNEs, Finished Services, etc. The CLEC receives two APOT forms: a Preliminary APOT form 15 days prior to the RFS date and a Final APOT form. The final APOT is provided once the RFS has been met and the CLEC pays their final 50% (or balance due) of the nonrecurring charges contained in the collocation price quote.

d. **Staff Discussion and Recommendation**

140. Staff agrees with Qwest on this issue. Qwest has 90 days to complete the collocation. Giving the CLEC final APOT information in effect reduces the Qwest interval by 15 days. The 90 day interval for providing collocation space is short and substantially improved from original collocation provisioning intervals. Qwest states that it provides the preliminary APOT to the CLECs as a courtesy. Staff does not agree that requiring a final APOT 15 days early is justified at this time.

5. **Should Qwest be permitted to charge CLECs a maximum price of $345 for all collocation augment quote preparations?**

6. **Should Qwest be permitted to charge CLECs the entire augment quote preparation fee of $345 for the minor activity of terminating unused power?**

a. **Eschelon Position**

141. Eschelon points out that Qwest charges this fee when a CLEC makes an initial request for caged collocation space in Qwest premises. In almost all circumstances, Qwest also charges this fee if a CLEC makes a major material change (as Qwest defines that term) to its initial collocation request. For instance, if a CLEC requests a decrease in DC power (which, contrary to Qwest's definition, is not a major change), Qwest will charge CLEC a preparation fee to process the order. Qwest also charges the full fee to augment a completed collocation. If a CLEC orders a DS-3 circuit as an augment to its caged collocation space, Qwest charges the entire preparation fee. Augments to existing collocations and changes to initial collocation orders do not involve the same level of planning and engineering that the initial development of the collocation site requires. Qwest should not be permitted to charge the steep fee of $345 for augments and changes to collocations, as the work involved is a fraction of the work involved in developing the initial collocation site.

142. Eschelon requests that the SGAT be changed to state that Qwest will only charge a cost based fee for augments and changes to collocation orders.

b. **Qwest Position**

143. Qwest points out that the Quote Preparation Fee of $345 was agreed to in the Arizona cost docket (T-500000A-00-0194, decision #64922, dated June 12, 2002). Given the very specific nature of these questions remain the subject of ongoing discussion, Qwest suggests that they would be more appropriately addressed as part of the Arizona cost docket proceeding.

c. **Staff Discussion and Recommendation**

144. Staff agrees that the quote preparation fee should be cost based. The Quote Preparation Fee developed in the wholesale pricing docket was based upon information submitted by Qwest as to the time and effort involved in this endeavor. To the extent circumstances vary, and less time is involved, Staff believes that the price should reflect the actual cost to Qwest. Nonetheless, Staff agrees with Qwest that this issue is more appropriately addressed in the Commission's wholesale pricing docket.

7. **Should Qwest provide an objective and reasonable definition of what constitutes a "material change" to a collocation order so that Qwest cannot unilaterally delay a CLEC's collocation order when a minor, non-material change is requested by a CLEC?**

a. **Eschelon Position**

145. Eschelon argues that Qwest's SGAT at Section 8.4.1.2 defines "material changes" to a collocation order as those changes that would impair Qwest's ability to meet applicable intervals and would require Qwest to incur financial penalties. This subjective definition gives Qwest unlimited authority to decide what constitutes a material change.

146. Eschelon claims that some of the "changes" it requests on its collocation orders should not be considered as major changes.

b. **Qwest Position**

147. Qwest has stated that it would agree to define material change as those items listed on its web site under "Major/Minor Material Changes". That list, however, is over-inclusive. For instance, it lists a decrease in DC power as a major change to a collocation order when in fact it simply requires a fuse change.

148. The definition of "material change" should be objective so that it is clear to all parties when the definition has been met and it should be reasonable so that small changes to a collocation order do not permit Qwest to require CLECs to accept long delays.

149. Qwest points out that the one specific change Eschelon gives as an example is a decrease in the DC power cable, however, a decrease in DC power cable is more complex than Eschelon is willing to acknowledge. For these reasons, Qwest considers a revision to an order for a DC power reduction as a major change.

150. Qwest comments further that with regard to making revisions to collocation orders after submittal, the FCC's rules require that the CLEC submit a complete collocation application since the standard 90-day provisioning interval is based on the receipt date. In the 271 workshops, there was considerable discussion of "material" and "non-material" changes to orders. Qwest agreed to allow subsequent changes to the collocation order with the recognition that a material change would impair Qwest's ability to provision the requested collocation within the applicable intervals and could potentially result in Qwest incurring financial penalties. Thus, Qwest has a right to expect that the collocation application is complete and accurate when it is received. The complexity of the change requested and the timing of requested change (e.g., receiving a change to the order at the end of the installation interval for work that may have already been completed) may affect Qwest's ability to meet the provisioning interval and Qwest should not be expected to also incur financial penalties. As stated previously, the collocation application should be complete and accurate when it is received, however, Qwest is willing to accommodate changes. After much discussion, the language describing this, Section 8.4.1.2 of the SGAT, was agreed to in all states' 271 workshops.[20]

b. **AT&T Position**

151. AT&T commented that while Eschelon suggests that the standard for "Material Changes" should be objective, Eschelon has not proposed language changes to the SGAT. If Eschelon makes such a proposal, AT&T would like the opportunity to review and comment on it. Eschelon's comment also makes the following statement: "Qwest has stated that it would agree to define material change as those items listed on its web site under "Major/Minor Material Changes." At this point, AT&T would not agree to this Qwest proposal, because Qwest has the ability to change its website at any time. In any event, AT&T believes it would be difficult to agree on such a list, which is why the parties settled on the language in Section 8.4.1.2 during the workshops.

c. **Staff Discussion and Recommendation**

152. Staff agrees with AT&T on this issue. Staff believes that it would be difficult to agree on a list of major/minor changes. In the workshop on this issue, the parties agreed to the language in the SGAT. Since Eschelon has not proposed alternate language, Staff agrees that for the reasons stated by AT&T, that the SGAT should not be changed.

8. **Should the Commission recommend 271 approval for Qwest before it has demonstrated that it has a process in place to provide CLECs with timely and accurate information informing them when a collocation space becomes available at a Qwest premises?**

a. **Eschelon Position**

153. Eschelon argues that Qwest should have a process in place for timely reassignment of reclaimed collocation space when it becomes vacant or has not been in use for some months.

b. **AT&T Position**

[20] Qwest's Late-filed Exhibit A.

154. AT&T points out that SGAT Section 8.2.1.20.1, Space Denial Queue, describes a process whereby CLECs seeking space in a Qwest Premises, where their collocation applications have been denied, are kept in a queue in the order of their applications so that when space becomes available Qwest can promptly inform them. It is not clear from Eschelon's example whether this process was followed. It is AT&T's understanding that Qwest is developing a process in CMP called "Available Inventory" for vacated/decommissioned collocation space that is available for use by other CLECs. It is unclear whether this process would have improved Eschelon's experience. However, AT&T agrees that as space becomes available in a Qwest Premises, it should be made available to CLECs as soon as possible, especially when a queue has developed at that particular location.

c. Qwest Position

155. Eschelon assumes that just because space is vacant near their collocation space that Qwest should, if requested, make that space available to Eschelon in a "timely" manner. There are several issues that may inhibit Qwest's ability to make this unused space available including but not limited to bankruptcy or space abandonment. Each scenario requires Qwest to treat the space in a different manner. For example, space involved in bankruptcy proceedings are managed by the trustee and otherwise may be held up in the court for an undetermined period of time while a CLEC attempts to reorganize and may resume its business operations. Space abandoned by a CLEC does not just automatically revert to Qwest either. Once Qwest is aware of abandoned space, attempts to contact the CLEC are made, there may need to be an attempt to reclaim the space through a legal proceeding, the space must be reviewed for working circuits and notification made to the end users, and equipment in use within the space must be considered for disposal.

156. The processes for decommissioning collocation space and transfers of responsibility for collocation space have been addressed through a subcommittee of the CMP. Agreement has been reached on those processes and documented through the CMP. In addition, Qwest initiated a change request through the CMP for the posting of available previously provisioned collocation space that is no longer being used by a CLEC on Qwest's web site. Qwest has been working through CMP on the details of the posting of this available pre-provisioned collocation space and expects to begin posting the information in the September time frame.[21]

157. Qwest advises that they began posting the collocation available space inventory ("Collocation Classifieds") on September 6, 2002 which is available via a link from the collocation section of the PCAT. Qwest reviewed its new website posting at its September 2002 CLEC Forum.

d. Staff Discussion and Recommendation

158. This issue appears to have been addressed in the CMP process. Qwest now posts available pre-provisioned collocation space. This should address Eschelon's concerns and Staff considers this issue to now be closed.

9. Should Qwest be required to charge CLECs the rates contained in the parties' interconnection agreement for collocation space?

a. Eschelon Position

[21] Qwest's Late-filed Exhibit A.

159. In the workshop, Eschelon raised the issue of being charged SGAT rather than interconnection agreement rates for a recent Arizona cageless collocation. Eschelon also noted that the cageless space required little preparation beyond running power and providing APOTs since it had already been in use by another CLEC. In Qwest's response it did not address either of these issues raised by Eschelon. Qwest did not provide the source of each specific rate element it charged or explain if it took into account the work that would not have to be done since the space had been used previously by another CLEC.

b. Qwest Position

160. Eschelon raised an issue around a quote for cageless (2-bays) at the Thunderbird central office. In its brief description of the issue, Eschelon stated that Qwest had based the estimate on SGAT rates and when compared to a past cageless collocation quote, the nonrecurring charges were dramatically higher. In researching the issue, it appears that there were some rate elements associated with the cageless collocation that were not in Eschelon's interconnection agreement. Qwest provided a quote for this cageless collocation based on the approved Arizona SGAT for those rate elements.[22]

161. Eschelon addressed a difference in two quotes for collocation, emphasizing that the more recent quote was significantly higher than the earlier quote. Qwest would like to specifically address the difference in quotes. Unlike the nearly $20,000 difference in cost Ms. Clauson and Ms. Powers spoke to during the workshop, research into the issue only shows a difference of $6,379.17 between the quotes. The original quote dated February 11, 2000 on BAN C01LC01 was $47,130.59 and the 3 bay addition dated May 16, 2002 on BAN C21LC20 was $53,509.76. As a general matter, differences are to be expected because more than 2 years elapsed between the quotes and the Arizona cost docket decision was put into the effect. Specifically, there is one difference contained in the application that needs to be noted. Eschelon requested only 300 DS-0 terminations on the first application for a total cost of $2,149.71 while on the second application Eschelon requested nearly 4 times that amount or 1,100 DS-0 terminations. This by itself accounts for a significant difference. Additionally, Qwest notes that while the non-recurring costs were increased for having these additional terminations, the monthly recurring costs were actually $40.51 less than the recurring costs for Eschelon's initial request.[23]

162. Two years have gone by since the first quote BAN# C01LC01 was prepared. In that time Qwest has conducted various cost studies for wholesale services offered to the CLEC community. At the time the quote for the second request BAN# C21LC20 was prepared the customer's Interconnection Agreement (ICA) did not include pricing for all of the collocation services being ordered, so the pricing strategy in the SGAT was used. The specific elements not included in the ICA are (C1FYA) two bays and one 40 amp A&B power feed and (C1FYC) each additional bay.[24]

c. Staff Discussion and Recommendation

[22] Qwest's Late-filed Exhibit A.
[23] Qwest's Late-filed Exhibit A supplemental response.
[24] Qwest's Late-filed Exhibit E.

163. Staff believes that Qwest Position provides a satisfactory explanation on this issue. Rates in the companies Interconnection agreements should be utilized. If there are no rates agreed to in an ICA for certain services, then the SGAT which contains ACC approved rates, should then be utilized.

10. Should Qwest be required to provide CLECs with adjacent off-site collocation, a form of collocation offered by another ILEC, Southwestern Bell Telephone (SWBT)?

a. Eschelon Position

164. Eschelon has requested that Qwest provide it with adjacent off-site collocation so that Eschelon can collocate on property next to Qwest and thereby not be required to use an entrance facility to gain access to Qwest's premises. The SWBT Local Access Service Tariff provides for an offering of adjacent off-site collocation. The FCC Collocation Order states that any collocation offering made by one ILEC should be offered by another ILEC upon request, unless the ILEC can show that the offering is not technically feasible. (47 C.F.R. 51.321(c)).

165. Eschelon is not claiming that adjacent off-site collocation is included in the FCC definition of "Adjacent space collocation". Eschelon acknowledges that what it is requesting is a different form of collocation. Eschelon is requesting a form of collocation offered by SWBT. And the FCC requires Qwest to provide this collocation if requested and technically feasible. Eschelon has requested it and Qwest does not claim it is not technically feasible.

166. Eschelon proposes that additional language at the end of Section 8.1.1.6 of the SGAT should be added to read:

> Adjacent Collocation includes two scenarios: (1) where CLEC wishes to obtain space for collocation facilities in a building or property not owned by Qwest nearby or across the street from Qwest's premises (the "Nearby Location"); and (2) where CLEC wishes to obtain space for collocated facilities in a cabinet on the parking lot or grounds of Qwest's premises (the "On Grounds Location"). Collocation at a Nearby Location will be available to CLEC only if On Grounds Location is not available because of space limitations.

167. At the Workshop, Eschelon's witness reiterated that Qwest refuses to provide Eschelon with adjacent off-site collocation, and Eschelon has suggested a language change for Section 8.1.1.6 of the SGAT. She further stated that Eschelon believes that adjacent off-site collocation is offered by SWBT and that the FCC has said that if one ILEC offers another type of collocation, another ILEC must also offer it unless it is not technically feasible.

b. Qwest Position

168. Qwest argues that there is no legal requirement or FCC rule that requires Qwest to provide collocation in or on property owned by a third party. The 1996 Telecommunications Act requires: ". . . physical collocation of equipment necessary for interconnection or access to unbundled network elements *at the premises of the local exchange carrier*, . . ." Premises is very clearly defined in 47 C.F.R. § 51.5, as follows:

> "Premises. Premises refers to an incumbent LEC's central offices and serving wire centers; all building or similar structures owned, leased or otherwise controlled by an incumbent LEC that house its network facilities; all structures that house incumbent LEC facilities on public right-of-ways, including but limited to vaults containing loop concentrators or similar structures; and all land owned, leased, or otherwise controlled by an incumbent LEC that is adjacent to these central offices, wire centers, building, and structures." [emphasis added]

169. Thus, there is no FCC requirement to offer a collocation product for equipment located on someone else's property, "adjacent off-site collocation." To the contrary, and as clearly stated by the FCC in its Advanced Services Order on Reconsideration regarding Adjacent Collocation: "This definition [premises] of course, *excludes* land and buildings in which the incumbent LEC has no interest. In that circumstance, the incumbent LEC and its competitors have an equal opportunity to obtain space within which to locate their equipment." Thus, the FCC agrees that Qwest does not have any obligation to provide collocation in or on premises that are not its own or under its control.

170. Qwest's legal obligations as set forth in its Interconnection Agreements, as well as its practices, establish that it meets all FCC requirements in Arizona. For example, according to the August 2, 2002 Space Denial Report available on Qwest's web site, there is only one central office where a CLEC queue exists because space has been denied for caged physical collocation. Qwest need only make adjacent available when the specific CLEC has been denied physical collocation space in a Qwest premises. Adjacent collocation is clearly defined in the FCC rules 47 C.F.R. § 51.323(k)(3), as quoted above, to be required in those cases where "physical collocation space is legitimately exhausted."

171. There is no legal requirement and no FCC requirement to make collocation available in or on premises that are not owned or controlled by Qwest and that house its network facilities. That being said, there is nothing that precludes the CLEC from leasing space in property adjacent to Qwest's property and locating its equipment there, but that process is not collocation. Simply put, "co-location" is the sharing of the incumbent LEC's premises, not some third party's.[25]

[25] Qwest's Late-filed Exhibit A.

172. Also in the July workshop, Eschelon referenced a Southwestern Bell tariff related to the issue of adjacent off-site collocation. The tariff in question is the Local Access Service Tariff in Kansas for Southwestern Bell Telephone Company. The section on Adjacent Off-site Arrangement went into effect June 14, 2000 and the change is noted on the 1st Revised Sheet 2. This language limits the deployment of Adjacent Off- site to only those offices "Where Physical Collocation space within a SWBT Eligible Structure is Legitimately Exhausted, and the Collocator's Adjacent On-site space is not within 50 ft. of the Eligible Structure's outside perimeter wall, the Collocator has the option and SWBT shall permit an Adjacent Structure Off-site Arrangement, to the extent technically feasible." While SWBT may have made a business decision to offer this product, it should not drive Qwest to the same decision especially in light of the fact that the SWBT offer goes well beyond and outside of the FCC's definition of collocation and the term "premises". A CLEC is not precluded from locating adjacent to or near to a Qwest premises, it just is not "co-location."[26] Qwest's response is that this type of collocation is not required by the FCC. However, as noted above the FCC does require Qwest to provide a new type of collocation provided by another ILEC if technically feasible.

c. **AT&T Position**

173. AT&T advises that it takes no position on Eschelon's proposal; however, if Eschelon is able to obtain this form of collocation, it should be available to other carriers.

d. **Staff Discussion and Recommendation**

174. Staff believes that Qwest has met its obligations under FCC orders and rules on this issue. Staff agrees with Qwest on this issue.

11. Should Qwest be required to permit CLECs to interconnect at the ICDF?

a. **Eschelon Position**

175. Eschelon points out that Qwest's SGAT does not provide for interconnection at the ICDF. Eschelon asked Qwest to agree to allow it to interconnect at the ICDF when Eschelon uses ICDF collocation. Qwest has refused this request. Without this ability, Eschelon cannot interconnect LIS trunks at the ICDF.

176. Eschelon advised that Qwest indicates in its response that it has initiated a change request through CMP to allow for termination of Local Interconnection Services (LIS) at the ICDF. If Qwest implements this change, Eschelon agrees that this issue should then be resolved.

b. **AT&T Position**

[26] Qwest's Late-filed Exhibit A supplemental response.

177. AT&T agrees that CLECs should be able to access interconnection at the Qwest ICDF. While this is not reflected in the Qwest SGAT, AT&T understands that Qwest has a new "product" it calls "Facility Connected Collocation (FC Collocation)" that should permit this, as well as access to UNEs, Ancillary Services and finished services. Qwest should comment on whether this form of collocation will accommodate Eschelon's request. If so, and if Qwest seeks to add terms for this "product" to the Arizona SGAT, AT&T would like the opportunity to comment on such new terms.

c. Qwest Position

178. Qwest responded with the following: The first sentence of 8.2.5.1 should be changed to read:

> Interconnection Distribution Frame (ICDF) Collocation is available for CLECs who have not obtained Caged or Cageless Physical Collocation but who require access to the Qwest Premises for interconnection, combining unbundled network elements and ancillary services and/or terminating EAS/local traffic.

179. As an initial matter, ICDF Collocation is not a required type of collocation under the FCC's rules. ICDF Collocation is an optional product that Qwest has made available to CLECs. Qwest's ICDF Collocation is offered for the purpose of facilitating the combination of UNEs and ancillary services. In response to various requests, Qwest has initiated a change request through the CMP for the ICDF Collocation product to allow for the termination of Local Interconnection Services ("LIS"). The CR will be presented during the August CMP Product and Process meeting with the expectation of product availability by September 30, 2002. With this change, Qwest will allow the combination of finished services (i.e., LIS) with other elements at Eschelon's ICDF Collocation.[27]

180. A notice of this product change and the revised PCAT documentation was sent through the CMP July 24, 2002 and is available for ordering by CLECs.

d. Staff Discussion and Recommendation

181. Staff believes that this issue has been handled through CMP. With the change, Qwest will allow the combination of finished services (i.e., LIS) with other elements at Eschelon's ICDF Collocation.

M. INTERCONNECTION

1. Should Qwest be permitted to charge transit charges in addition to access charges on intraLATA toll calls?

a. Eschelon Position

[27] Qwest's Late-filed Exhibit A.

182. Section 7.2.2.3.1 of Qwest's SGAT defines transit traffic as local and exchange access (defined as Qwest intraLATA toll) but excludes "jointly provided switched access" which is toll provided by a carrier other than Qwest. Transit charges should apply to local traffic only. They should not apply to intraLATA toll, including Qwest's intraLATA toll. Qwest provides no rationale for charging transit rates on Qwest intraLATA toll calls.

183. The last sentence of Section 7.2.2.3.1 should be deleted and the second to last sentence should read: For purposes of the Agreement, Transit Traffic does not include traffic carried by intraLATA or interLATA toll carriers, including Qwest.

184. Section 7.3.7.2 of the SGAT states that regarding intraLATA toll transit: "The applicable Qwest Tariffed Switched Access tandem switching and tandem transmission rates apply to the originating CLEC or LEC. The assumed mileage contained in Exhibit A of this Agreement shall apply."

185. Eschelon objects to this SGAT provision because it would result in charging Eschelon switched access charges when Eschelon is not the toll carrier. Qwest itself may be the intraLATA toll carrier, yet Qwest seeks to charge local carriers access charges simply because the call transits its network. Qwest should charge the intraLATA toll provider access charges, not the CLEC.

186. Section 7.3.7.2 should be deleted.

b. <u>Qwest Position</u>

187. On this point, Qwest and Eschelon agree. When Qwest charges Eschelon for transit, Qwest does not also charge an interexchange carrier. The reverse is also true. Eschelon describes one type of call in Scenario 1 of Attachment B to its filing. Qwest describes this type of call in Section 4 of the SGAT as "meet-point-billed". "Meet-Point Billing" or "MPB" or "Jointly Provided Switched Access" refers to an arrangement whereby two LECs (including a LEC and CLEC) jointly provide Switched Access Service to an Interexchange Carrier, with each LEC (or CLEC) receiving an appropriate share of the revenues from the IXC as defined by their effective access Tariffs.

188. Eschelon says, "Qwest would not bill Eschelon . . .Qwest would bill the intraLATA toll provider tandem rate element access charges." The intraLATA toll provider in scenario 1 is WorldCom. Qwest agrees.

189. Qwest disagrees with Eschelon's characterization of scenario 2. Qwest is not an interexchange carrier in Arizona. Qwest is not currently provided Feature Group D service by Eschelon. If a division of Qwest were authorized to operate as an interexchange carrier in Arizona, Qwest the ILEC would agree that Qwest the interexchange carrier[28] would be billed as described by Eschelon. Until that day, Qwest is billing for this traffic as described in Figure 6-3 of the ATIS/OBF MECAB guideline[29]. Transit charges are not new and are sanctioned in the guideline at page 6-5. Here Qwest follows a national standard that is committed to at section 2.4.7 of the Arizona Exchange Access Tariff and similarly in the FCC No. 1 Tariff.

28 A Telecom Act section 272 affiliate.

29 Alliance for Telecommunications Industry Solutions/ Ordering and Billing Forum Multiple Exchange Carrier Access Billing guideline, version 7. Eschelon's Scenario 1 is described at figure 6-7.

190. As Eschelon points out, these particular calls are originated by an Eschelon retail local service customer. When that customer chooses Eschelon over Qwest as a local service provider, Qwest effectively loses its ability to bill that end user for intraLATA toll service. Qwest has consistently taken the position that it may choose whether or not to serve a customer as an IntraLATA toll carrier, based on the profitability of the service in individual markets. It currently costs Qwest as much as $1.25 per billable message to render a bill to a retail local service customer of Eschelon since an outsourced service bureau must do the billing and collection functions.

191. For these reasons, Qwest informed Eschelon in writing that Qwest does not accept a "de facto" assignment of intraLATA toll carrier responsibilities from Eschelon's retail end users when those end users are transferred from a resale environment to a facility-based environment. Qwest also directed Eschelon to cease offering Qwest as an intraLATA toll carrier when Eschelon converts a new end user to CLEC switch-based services. This explains why it is Qwest's opinion that, in what Eschelon has labeled scenario 2, the carriers are now billing each other, but neither is billing the end user. Eschelon mistakenly treats Qwest like an interexchange carrier by billing as if Feature Group D service were being provided. Qwest bills Eschelon for transit. Based on data shared between the parties, approximately twenty-five Arizona end user customers are impacted by this unusual circumstance.

192. To restate and summarize, should Qwest be permitted to charge for transit of Eschelon's local customers' intraLATA toll? Yes, when Exchelon sends Qwest a call that Qwest delivers to a non FG D carrier network,[30] and the dialed number is intraLATA toll, Qwest should bill Eschelon the toll transit rate. If Exchelon sends Qwest a call that Qwest delivers to a FG D interexchange carrier network, Qwest does not bill Eschelon a transit rate. In that case, both Parties bill the Interexchange Carrier. Should Qwest be permitted to charge for transit of Eschelon's local customer's intraLATA toll in addition to assessing access charges on an interexchange carrier for jointly provided (meet-point-billed) intraLATA toll calls? No, an individual call involves either a transit charge to Eschelon or an access charge to the interexchange carrier, but not both.

193. While the parties may disagree on the billing of this particular call type, Qwest's Telecom Act section 271 reciprocal compensation obligations have been met.

c. AT&T Position

194. AT&T is not certain it fully understands the issue presented by Eschelon. AT&T believes the issue raised by Eschelon and its proposal need to be more fully developed and understood before changes are made to the SGAT. However, if the Staff proposes changes to this language, AT&T would like the opportunity to participate in discussions with Qwest and Eschelon and file written comments to insure that this issue is fully explained and explored.

d. Staff Discussion and Recommendation

195. Staff believes this issue is a cost docket issue and should be resolved there.

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2. **Should Qwest be permitted to charge CLECs for incomplete or old Category 11 billing records?**

a. **Eschelon Position**

196. In Sections 7.5.4 and 7.6.3 Qwest proposes charging CLECs for Category 11 billing records. Eschelon believes that Qwest should bill at cost based rates and only charge for records that CLEC is able to use to bill customers. Other records are not useful.

197. Eschelon proposes that the word "billable" be added before the word record in these two sections. The following definition of "Billable Record" should be added to SGAT Section 4:

198. "Billable Record" means a record that: 1) only contains charges that are less than 90 days old, 2) contains accurate information in each field and 3) is filled out completely and according to OBF standards.

b. **Qwest Position**

199. Qwest responds that in Eschelon's Late-filed Exhibit E-C, Eschelon acknowledges that Qwest, under oath during the July 30 workshop provided the preferred answer to the question and agreed with the proposed language change. (See Arizona Supplemental Final Workshop Transcript Volume II, page 522). This allows that the impasse be considered settled in Arizona.

c. **AT&T Position**

200. AT&T does not object to the changes proposed by Eschelon to Sections 7.5.4 and 7.6.3.

d. **Staff Discussion and Recommendation**

201. Staff understands from Qwest response that they have agreed to the changes requested by Eschelon. This closes this impasse issue.

3. **Should Qwest be permitted to charge CLECs an assumed tandem switching and tandem transmission mileage rate for which Qwest has provided no evidence as to the validity of the assumption?**

4. **Should CLECs have the right to be charged a tandem switching and tandem transmission rate based on actual miles rather than on assumed miles?**

a. **Eschelon Position**

202. Eschelon points out that Section 7.2.7.1 states that Qwest will charge the applicable LIS tandem switching and tandem transmission rates at the assumed mileage rates contained in Exhibit A. This section also says the assumed mileage will be modified to reflect actual mileage when mileage can be measured, based on negotiations of the parties.

203. Eschelon attempted to negotiate actual mileage rates in our interconnection agreement and Qwest has refused to do so. Eschelon believes that CLECs should have the right to pay only for the miles actually traveled and should not be required to pay for mileage based on Qwest determined assumed rates. For instance, if Qwest uses the average mileage for the entire state, CLECs whose territory does not similarly cover the entire state will be charged an incorrect rate.

204. Section 7.3.7.1 should be changed to read:

> The applicable LIS tandem switching and tandem transmission rates at the actual mileage based on V and H coordinates apply to the originating party unless the originating party chooses to use the assumed mileage contained in Exhibit A of this Agreement.

b. <u>AT&T Position</u>

205. AT&T does *not* agree that Section 7.3.7.1 should be changed. Transit traffic may travel by various routes. It may not be feasible to identify each such route and the actual mileage associated with each in advance of passing traffic. As a result, the current SGAT language is more workable in that it allows for traffic to be carried, without delay, based on assumed mileage. Even with this as the default, the current SGAT language, as written, should permit carriers to establish actual mileage at any time.

c. <u>Qwest Position</u>

206. Qwest responds that Eschelon is concerned that Qwest applies a nine-mile assumed distance for transport on tandem-switched transit calls. Eschelon asks for a charge based on actual distance rather than average distance since it says that all locations to whom an Eschelon-originated, Qwest-transited call is destined are located in downtown Phoenix. Eschelon's statement is not accurate.

207. For example, Great West Services, a wireline CLEC, operates a switch using a point-of–interface (POI) with Qwest located 14 miles from Qwest's Phoenix tandem. AT&T's wireline CLEC operation uses a POI with Qwest located 13 miles from Qwest's Phoenix tandem. Eschelon Phoenix retail customers initiate local calls to the retail customers of these carriers via Qwest-provided transit service. These distances exceed nine miles.

208. Verizon Wireless has trunk groups to Qwest's tandem in Phoenix. One POI is 11 miles from Qwest's tandem and the other is 16 miles from Qwest's tandem. These distances exceed nine miles and these spans likely carry Eschelon Phoenix retail customers' local calls via Qwest-provided transit service.

209. In addition to this clear evidence in contradiction to Eschelon's statements, actual distances are not consistently measurable due to the absence of wireless and CLEC POI's in the National Exchange Carrier Association Tariff Number 4. If all carriers' POIs were recorded there, actual distances could be measured. If not, use of average assumed distances is necessary.[31]

d. Staff Discussion and Recommendation

210. Staff concurs with AT&T and Qwest on this issue. The current SGAT language is appropriate and workable.

N. TANDEM FAILURE EVENTS

1. When Qwest representatives that receive calls from CLEC customers lead them to believe that problems resulting from a tandem failure event were the fault of the CLEC, should Qwest be required to provide non-confidential documentation to show that there was a tandem failure event?[32]

a. Eschelon's Position

211. Eschelon also raised the issue of tandem failure events, stating that Qwest does not have a PID to measure these events. The witness pointed out that Eschelon's major network outages include tandem failures and pointed out that Qwest has had six such failures in the last three months alone, although it acknowledged that none of these were in Arizona. Eschelon's witness commented that if there were some sort of PID and PAP associated with these outages, there would be an incentive to pay more attention to their effect. The witness commented that as a small CLEC, it is heavily reliant on the tandem.

212. Eschelon's witness distributed copies of a tandem failure notification from Qwest, which showed the statement that the information is confidential and/or proprietary to Qwest, and that use of the information by recipient shall conform with non-disclosure/confidentiality terms and conditions of interconnection agreements. She stated that that is the language that Eschelon has asked to be removed, and inquired of Qwest if there was a response available. Qwest's witness stated that they would take back this issue and respond later in the day. With respect to the preceding issue of actual versus assumed mileage the Eschelon witness stated that Eschelon has suggested a language change for Section 7.3.7.1 of the SGAT. With this, the Eschelon witness stated that she had completed presenting the issues which Eschelon wished to raise with respect to Collocation and Interconnection.

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[31] While Eschelon claims that, "Qwest can measure the mileage as it is currently doing for all but Type 1 wireless provider calls", this is not true. Type 1 calls require manual bill adjustment where all other calls are mechanically billed. Mechanical billing is often used to rate an average/assumed mileage element.

[32] UNANSWERED TAKE BACK: Qwest committed to provide a copy of its documented process (including the described notification within 30 minutes, *see* Tr. Vol. I, p. 246) as an exhibit. *See* Tr. Vol. I, p.247, lines 6-10. Qwest's second-hand description is not the documented process that Qwest committed to provide as an exhibit, and it does not provide the detail suggested by Mr. Craig.

213. Eschelon then went on to the issue of inadequate support for resolving issues. The witness pointed out that inadequate support and turnover of personnel without adequate transition of information or duties remains a problem. Eschelon stated that this was raised in September 2000 and continues to be an issue. Eschelon believes there are systemic issues with Qwest, relative to its resources and service management. Their principal concern is that when there is a transition in a position, very little is done to bring the new person up to speed, which then requires that Eschelon basically reeducate that person about Eschelon's business and what Eschelon's issues are. Although Eschelon has seen some improvement, the issue is still there. Eschelon is also concerned that the account manager roll has been changed to strictly a sales role.

a. Qwest Position

214. Notification of Tandem failures is treated the same way as any other network outage. In the interests of both Qwest and the CLECs, the Qwest Network Management Center (NMC) reacts as quickly as possible to any network event. The NMC is responsible for managing of Qwest's local network traffic including network outages, traffic re-routes and event correlation. Events can include outages, disaster recovery or mass calling (for example call in lines for tickets concerts or major sporting events). Notification follows the same process for both Qwest and CLECs who have subscribed to receive notifications. The documented process Qwest follows is an internal confidential document and as such cannot be distributed publicly.

215. However, the key components of the documented process that support the 30 minute notification are as follows:

216. The Network Reliability and Operations Center (NROC) focus groups are required to notify the NMC within 15 minutes of any network outage. The NROC focus groups consist of technical subject matter experts who are aligned with and monitor specific network elements, to minimize out of service conditions. When a network outage is reported to the NMC, the NMC will input an ANCR (Abnormal Condition Report) within 15 minutes of receipt of the notification from the appropriate focus group. At that time, the ANCR system creates an email of the event details and sends it to a distribution list of all parties that have subscribed to receive network outage notifications. Parties, including CLECs, can subscribe to notifications based on the types of outages and the specific geographic locations that affect its business. This represents a 30-minute notification process for everyone receiving ANCR notifications for the particular types of outages and geographical locations for which they subscribe. This 30-minute goal is reinforced with NMC managers on a monthly basis by NMC technical support and the NMC upper management team.

217. The ANCR notification includes a confidentiality footer. The confidential statement is generated by the ANCR system and cannot be removed. Even if no such system constraint existed, Qwest believes it would be inappropriate to remove the confidentiality footer. In responding to an outage, Qwest makes available the best information it has via the ANCR system. However, information gained in responding to emergency outages is very dynamic. For example, there are instances where, at first, a third party's action appears to have contributed to an outage. Pertinent information regarding the third party's actions may be contained in the ANCR and may later need to be retracted in subsequent notifications because additional facts establish that the third party was not involved. Because of these types of dynamic changes, it would be inappropriate for Qwest to provide notifications without a confidentiality footer.

218. However, to address CLECs' need for information about an outage, Qwest has an existing process for CLECs to request a root cause analysis without a confidentiality footer that pertains to a network outage and may be provided to their customers. Such a request should be made through their service or account manager as described in the Qwest PCAT at URL: http://www.qwest.com/wholesale/clecs/accountmanagers.html, sixth bullet under Service Team responsibilities.

c. Staff Discussion and Recommendation

219. Staff believes the description furnished by Qwest summarizing its processes for handling and reporting network outages is adequate.

220. The process offered by Qwest to provide outage information for CLECs to provide their customers should also satisfy Eschelon's concern. Qwest will provide information that will contain a root cause analysis of the network failure. This can be used to explain to a customer the cause of the network problems they experienced. The information is provided without a confidential footer and can therefore be shared with customers.

V. VERIFICATION OF COMPLIANCE

221. Based upon the proceedings and record herein, and Qwest's implementation of the recommendations set forth above, Staff recommends that the Commission find that Qwest is in compliance with applicable 271 checklist requirements.

VI. CONCLUSIONS OF LAW

1. 47 U.S.C. Section 271 contains the general terms and conditions for BOC entry into the interLATA market.

2. Qwest is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. Sections 40-281 and 40-282 and the Arizona Corporation Commission has jurisdiction over Qwest.

3. Qwest is a Bell Operating Company as defined in 47 U.S.C. Section 153 and currently may only provide interLATA service originating in any of its in-region States (as defined in subsection (I)) if the FCC approves the application under 47 U.S.C. Section 271(d)(3).

4. The Arizona Commission is a "State Commission" as that term is defined in 47 U.S.C. Section 153(41).

5. Pursuant to 47 U.S.C. Section 271(d)(2)(B), before making nay determination under this subsection, the FCC is required to consult with the State Commission of any State that is the subject of the application in order to verify the compliance of the BOC with the requirements of Section 271.

6. As a result of the proceedings and record herein, and subject to Qwest's agreement to implement the recommendations contained herein, Staff recommends that the Commission find that Qwest meets all applicable checklist requirements relating to the issues addressed herein.

1

Amendment No. ____ to the Interconnection Agreement
Between Eschelon Telecom, Inc.
and Qwest Corporation
in the State of ______________

This Amendment No. _ ("Amendment") is made and entered into by and between Eschelon Telecom, Inc. ("Eschelon") and Qwest Corporation, formerly U S WEST Communications, Inc. ("Qwest"). Eschelon and Qwest may be referenced through this Amendment as the "Parties."

Recitals

WHEREAS, Eschelon and Qwest entered into that certain Interconnection Agreement for service in the state of ______________, which was approved by ______________ on __________ (the "Agreement"); and

WHEREAS, Eschelon and Qwest wish to amend the Agreement under the terms and conditions contained herein.

NOW THEREFORE, the Parties agree to the following:

Amendment

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Amendment Purpose.

This Amendment is for the purpose of amending the monthly recurring charges provided in connection with the Unbundled Network Element Platform ("UNE-P") and the features available on a flat-rated basis with UNE-P.

2. Amendment Terms

The Agreement is amended by adding the following paragraphs:

2.1 The rates and features attached to Attachment 3.2 to the Interconnection Agreement Amendment Terms between Qwest and Eschelon, dated November 15, 2000, are deleted and replaced with rates and features attached hereto.

2.2 Basis for Charges. Eschelon has provided to Qwest forecasts of Eschelon's feature usage. That feature usage reflects Eschelon's anticipated demand for its specific product offerings, such as Eschelon Advantage, and the nature of Eschelon's customer base, which includes small to medium business customers in several of Qwest's markets. The features included in the flat-rated UNE-P Business recurring rates reflect Eschelon's current and projected feature usage. If actual usage changes materially, the Parties agree to negotiate in good faith any changes in the rate necessary to account for such change. As part of this Amendment and based on Eschelon's customer profile and anticipated feature usage, Eschelon may purchase Advanced Intelligent Network ("AIN") features to be placed on UNE-P at retail rates not to exceed commission approved rates, including recurring and non-recurring charges, if any.

3. **Effective Date**

This Amendment shall be deemed effective upon approval by the ____________ Commission; however, the Parties agree to implement the provisions of this Amendment effective on July 1, 2001.

4. **Further Amendments**

Except as provided in this Amendment, the provisions of the Agreement (as previously amended) shall remain in full force and effect. Except as provided in the Agreement, this Amendment may be further amended or altered only by a written instrument executed by an authorized representative of both Parties.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

Eschelon Telecom, Inc.	Qwest Corporation
[signature]	Audrey McKenney
Signature	Signature
Richard A. Smith	Audrey McKenney
Name Printed/Typed	Name Printed/Typed
President and COO	SVP - Wholesale Mkts
Title	Title
July 31, 2001	July 31, 2001
Date	Date

AMENDED ATTACHMENT 3.2

PRICES FOR OFFERING

STATE	PLATFORM RECURRING	ADDITIONAL CHARGE FOR EACH 50 MINUTE INCREMENT > 525 ORIGNATING LOCAL MOU/MONTH PER LINE
AZ	31.15	0.280
CO	34.35	0.295
ID	33.50	0.295
MN	27.35	0.205
ND	28.65	0.260
NE	36.30	0.300
NM	27.50	0.140
OR	27.25	0.170
UT	22.95	0.270
WA	24.35	0.195

Exhibit A sets forth features that are included in the flat-rated UNE-P Business Recurring Rate, in all forms of those features (except as part of an enhanced service).

EXHIBIT A

Features Available On Various Service Platforms And Included In The Flat Rated UNE-P Business Recurring Charge (except as noted below)

	1FB POTS	1FB POTS w/CCMS	CTX21	Centron	Centrex +
Call Hold (Hard)		X	X	X	X
Consultation Hold (Soft)		X	X	X	X
Call Transfer	X	X	X	X	X
3-way Calling	X	X	X	X	X
Call Pickup (Group and Station)		X	X	X	X
Call Waiting/Cancel Call Waiting	X	X	X	X	X
Distinctive Ring	X	X	X	X	X
Speed Call Long - Customer Change	X	X	X	X	X
Station Dial Conferencing (6-WAY)		X	X	X	X
Call Fwd Busy Line	X	X	X	X	X
Call Fwd Busy Line Expanded	X	X	X	X	X
Call Fwd Busy Line / Don't Answer	X	X	X	X	X
Call Fwd Don't Answer	X	X	X	X	X
Call Fwd Busy (External) Don't Answer	X	X	X	X	X
Call Fwd Busy (Overflow) Don't Answer	X	X	X	X	X
Call Fwd Busy External	X	X	X	X	X
Call Fwd Variable	X	X	X	X	X
Call Park			X	X	X*
MWI A/V	X	X	X	X	X
Centrex Management System (CMS)				X	X
Station Message Detail Recording (SMDR				X	X
Hunting	X	X	X	X	X
Individual Line Billing	X	X	X	X	X
Intercept	X	X	X	X	X
Intrasystem Calling				X	X
Intercom				X	X
Night Service				X	X
Outgoing Trunk Queing				X	X
Line Restrictions**				X	X
Touch Tone	X	X	X	X	X
AIOD	X	X	X	X	X
Dial 0				X	X
DID				X	X
DOD				X	X
Automatic Call Back Ring Again				X	X
Executive Busy Override				X	X*
Last Number Redial				X	X*
Make Set Busy				X	X
Network Speed Call				X	X*
Collect & 3rd Party Block	X	X	X	X	X
Custom Ringing	X	X	X	X	X
1-Way Call Blocking	X				
Business Complete a Call	X	X	X	X	X
Complete A Call Block	X	X	X	X	X
CLASS					
Anonymous Call Rejection	X	X	X	X	X
Call # Delivery Blocking (CID Blocking)	X	X	X	X	X
Call Trace Blocking	X	X	X	X	X
CID # only	X	X	X	X	X
CID Name & Number	X	X	X	X	X
CID on CW	X	X	X	X	X
Continuous Redial	X	X	X	X	X
Continuous Redial Blocking	X	X	X	X	X
Last Call Return	X	X	X	X	X
Last Call Return Blocking	X	X	X	X	X
Priority Calling	X	X	X	X	X
Selective Call Forwarding	X	X	X	X	X
Selective Call Rejection	X	X	X	X	X
Listings					
Primary Listing	X	X	X	X	X
Additional Listing (CLT)	X	X	X	X	X
Foreign Directory Listing (FAL)	X	X	X	X	X
If No Answer Listing (FNA)	X	X	X	X	X
Joint User Listing (JUL)	X	X	X	X	X
Non Listing No Change (NLE)	X	X	X	X	X
Non Listing (NLT)	X	X	X	X	X
Non Published No Change (NP3)	X	X	X	X	X
Non Published (NPU)	X	X	X	X	X
Extra Line Listing (XLL)	X	X	X	X	X
Chome Listing, Business Client (LBS)	X	X	X	X	X

The Following Are Available At Retail Rates Not to Exceed Commission Approved Rates

AIN @ Retail

Remote Access Forwarding (AFD)	X	X	X	X	X
Scheduled Forwarding (ATF)	X	X	X	X	X
Dial Lock (OC4)	X	X	X	X	X
Do Not Disturb (D7T)	X	X	X	X	X

*New features that require special assembly will be assessed a one-time, cost-based special assembly charge not to exceed commission approved rates.
**Existing quantities are grandparented. New quantities will be billed at appropriate rates.

2

Amendment No. ____ to the Interconnection Agreement
Between Eschelon Telecom, Inc.
and Qwest Corporation
in the State of

This Amendment No. ("Amendment") is made and entered into by and between Eschelon Telecom, Inc. ("Eschelon") and Qwest Corporation, formerly U S WEST Communications, Inc. ("Qwest"). Eschelon and Qwest may be referenced through this Amendment as the "Parties."

Recitals

WHEREAS, Eschelon and Qwest entered into that certain Interconnection Agreement for service in the state of ____________, which was approved by __________ ______ on _________ (the "Agreement"); and

WHEREAS, Eschelon and Qwest wish to amend the Agreement under the terms and conditions contained herein.

NOW THEREFORE, the Parties agree to the following:

Amendment

NOW THEREFORE, In consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Amendment Purpose.**

This Amendment is for the purpose of amending the Agreement to establish the Non-recurring charges for Unbundled Network Element Platform ("UNE-P").

2. **Amendment Terms**

2.1 The Agreement is amended by adding the following additional paragraphs:

Non-Recurring Charges for Eschelon UNE-P.

2.1.1. Definitions. For purposes of this Amendment, "class of service" will refer to one of the following three classes of service:

(a) 1FB, including when ordered with Customer Calling Management System ("CCMS") (*i.e.*, the ordering of CCMS with 1FB does not constitute a change of class of service from 1FB with or without CCMS for billing purposes, so the charge does not apply).

(b) Centrex 21.

(c) Centrex+/Centron (including Centron Standard Station, Centron Basic Station, Centron Feature Package, and Centron Optional Features).

2.1.2. Conversion of End User Customer With Existing Service to Eschelon UNE-P lines. If an end user with existing class of service selects Eschelon as its provider, Eschelon will pay a non-recurring charge of $ 7.60 for the first UNE-P line and $1.43 for each additional UNE-P line to serve the end user at the same service address with the same class of service. Separate end users at the same service address, if any, each will be subject to separate non-recurring charges, if applicable.

2.1.3. Provisioning of UNE-P Where there is no Existing Service or Where there is a Change in Class of Service. When Eschelon orders a UNE-P line to serve an end user where there is no existing service, where there is no existing service of the same class of service, or where the number of UNE-P lines ordered by Eschelon is greater than the number of existing lines of the same class of service at the same service address, Eschelon will pay a non-recurring charge of $69.00 for the first new UNE-P line and $17.75 for each additional new UNE-P line located at the same service address and ordered at the same time, provided these charges do not exceed commission approved rates. Separate end users at the same service address, if any, each will be subject to separate non-recurring charges, if applicable. The ordering of CCMS with 1FB does not constitute a change of class of service from UNE-P on a 1FB line for billing purposes, so the charge does not apply.

2.1.4. Subsequent Ordering of Feature Changes or Additional Features. When Eschelon orders either a change features (excluding deletions) or additional features for an Eschelon end user provisioned through UNE-P after the initial installation of UNE-P lines, for each UNE-P line to which an additional feature is subsequently added on the same class of service, Eschelon will pay a non-recurring charge of $7.60 for the first feature and $1.43 for each additional feature. Separate end users at the same service address, if any, each will be subject to separate non-recurring charges, if applicable.

2.1.5. Effective Date of Rates. The rates set forth on herein shall be effective as of September 1, 2001.

2.2 The Agreement is amended by adding the following additional paragraph:

Features available with UNE-P

Exhibit A to Amended Attachment 3.2 (copy attached) sets forth features which are available, in all forms of that feature, with UNE-P, as well as on which platform they are available. The list of features set forth in Exhibit A is not exclusive. Qwest will make additional features available to Eschelon with UNE-P, as they are, or become, available, at appropriate non-recurring rates, if any.

3. Effective Date

This Amendment shall be deemed effective upon approval by the_____________ Commission; however, the Parties agree to implement the provisions of this Amendment upon execution.

4. Further Amendments

Except as provided in this Amendment, the provisions of the Agreement (as previously amended) shall remain in full force and effect. Except as provided in the Agreement, this Amendment may be further amended or altered only by a written instrument executed by an authorized representative of both Parties.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

Eschelon Telecom, Inc.	Qwest Corporation
[signature]	Audrey McKenney
Signature	Signature
Richard A. Smith	Audrey McKenney
Name Printed/Typed	Name Printed/Typed
President and COO	SVP - Wholesale Markets
Title	Title
July 31, 2001	July 31, 2001
Date	Date

EXHIBIT A

...able On Various Service Platforms And Included In The Flat Rated UNE-P Business Recurring Charge (except as noted below)

	1FB POTS	1FB POTS w/CCMS	CTX21	Centron	Centrex +
...Hold (Hard)		X	X	X	X
...ultation Hold (Soft)		X	X	X	X
... Transfer	X	X	X	X	X
3-way Calling	X	X	X	X	X
Call Pickup (Group and Station)		X	X	X	X
Call Waiting/Cancel Call Waiting	X	X	X	X	X
Distinctive Ring	X	X	X	X	X
Speed Call Long - Customer Change	X	X	X	X	X
Station Dial Conferencing (6-way)		X	X	X	X
Call Fwd Busy Line	X	X	X	X	X
Call Fwd Busy Line Expanded	X	X	X	X	X
Call Fwd Busy Line / Don't Answer	X	X	X	X	X
Call Fwd Don't Answer	X	X	X	X	X
Call Fwd Busy (External) Don't Answer	X	X	X	X	X
Call Fwd Busy (Overflow) Don't Answer	X	X	X	X	X
Call Fwd Busy External	X	X	X	X	X
Call Fwd Variable	X	X	X	X	X
Call Park			X	X	X*
MWI A/V	X	X	X	X	X
Centrex Management System (CMS)				X	X
Station Message Detail Recording (SMDR)				X	X
Hunting	X	X	X	X	X
Individual Line Billing	X	X	X	X	X
Intercept	X	X	X	X	X
Intrasystem Calling				X	X
Intercom				X	X
Night Service				X	X
Outgoing Trunk Queuing				X	X
Line Restrictions**				X	X
Touch Tone	X	X	X	X	X
AIOD	X	X	X	X	X
Dial 0				X	X
DID				X	X
DOD				X	X
Automatic Call Back Ring Again				X	X
Executive Busy Override				X	X*
Last Number Redial				X	X*
Make Set Busy				X	X
Network Speed Call				X	X*
Collect & 3rd Party Block	X	X	X	X	X
...dom Ringing	X	X	X	X	X
...y Call Blocking	X				
...siness Complete a Call	X	X	X	X	X
...Isolate A Call Block	X	X	X	X	X
CLASS					
Anonymous Call Rejection	X	X	X	X	X
Call # Delivery Blocking (CID Blocking)	X	X	X	X	X
Call Trace Blocking	X	X	X	X	X
CID # only	X	X	X	X	X
CID Name & Number	X	X	X	X	X
CID on CW	X	X	X	X	X
Continuous Redial	X	X	X	X	X
Continuous Redial Blocking	X	X	X	X	X
Last Call Return	X	X	X	X	X
Last Call Return Blocking	X	X	X	X	X
Priority Calling	X	X	X	X	X
Selective Call Forwarding	X	X	X	X	X
Selective Call Rejection	X	X	X	X	X
Listings					
Primary Listing	X	X	X	X	X
Additional Listing (CLT)	X	X	X	X	X
Foreign Directory Listing (FAL)	X	X	X	X	X
If No Answer Listing (FNA)	X	X	X	X	X
Joint User Listing (JUL)	X	X	X	X	X
Non Listing No Change (NLE)	X	X	X	X	X
Non Listing (NLT)	X	X	X	X	X
Non Published No Charge (NP3)	X	X	X	X	X
Non Published (NPU)	X	X	X	X	X
Extra Line Listing (XLL)	X	X	X	X	X
Champ Listing, Business Client (LES)	X	X	X	X	X

The Following Are Available At Retail Rates Not to Exceed Commission Approved Rates

AIN @ Retail

Remote Access Forwarding (AFD)	X	X	X	X	X
Scheduled Forwarding (ATF)	X	X	X	X	X
Dial Lock (DCH)	X	X	X	X	X
Do Not Disturb (DTT)	X	X	X	X	X

..ew features that require special assembly will be assessed a one-time, cost-based special assembly charge not to exceed commission approved rates.

*Existing quantities are grandparented. New quantities will be billed at appropriate rates.